

have suffered under the orders, decisions, or directions of our Alien Property Custodian. That is the purpose of the reservation.

The VICE PRESIDENT. The question is on the adoption of reservation No. 13.

Mr. SMOOT and Mr. HITCHCOCK called for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. NELSON (when his name was called). On this vote I am paired with the senior Senator from Arizona [Mr. SMITH]. I therefore withhold my vote.

The roll call having been concluded, the result was announced—yeas 52, nays 41, as follows:

YEAS—52.

Ball	France	Lenroot	Polindexter
Borah	Frelinghuysen	Lodge	Reed
Brandegge	Gore	McCormick	Sherman
Calder	Gronna	McCumber	Shields
Capper	Hale	McLean	Smoot
Colt	Harding	McNary	Spencer
Cummins	Johnson, Calif.	Moses	Starling
Curtis	Jones, Wash.	New	Sutherland
Dillingham	Kellogg	Newberry	Townsend
Edge	Kenyon	Norris	Wadsworth
Elkins	Keyes	Page	Walsh, Mass.
Fall	Knox	Penrose	Warren
Fernald	La Follette	Philpps	Watson

NAYS—41.

Ashurst	Henderson	Owen	Stanley
Bankhead	Hitchcock	Phelan	Swanson
Beckham	Johnson, S. Dak.	Pittman	Thomas
Chamberlain	Jones, N. Mex.	Pomerene	Trammell
Culberson	Kendrick	Ransdell	Underwood
Dial	King	Robinson	Walsh, Mont.
Fletcher	Kirby	Sheppard	Williams
Gay	McKellar	Simmons	Wolcott
Gerry	Myers	Smith, Ga.	
Harris	Nugent	Smith, Md.	
Harrison	Overman	Smith, S. C.	

NOT VOTING—2.

Nelson Smith, Ariz.

So reservation No. 13, offered by Mr. LODGE on behalf of the committee, was agreed to.

Mr. LODGE. Mr. President, we have now been in session for more than six hours and have disposed of 10 reservations. I intend to move to adjourn—

Mr. SMOOT. Mr. President—

Mr. LODGE. I yield to the Senator from Utah to introduce a bill.

Mr. HITCHCOCK. I desire to inquire whether it is possible to do any business of that sort under the rule under which we are operating?

Mr. LODGE. By unanimous consent, surely it is.

Mr. GRONNA. Mr. President, I object.

The VICE PRESIDENT. Objection is made.

PROPOSED FINAL ADJOURNMENT OF THE HOUSE.

Mr. CURTIS. Mr. President, I offer a resolution and ask unanimous consent for its immediate consideration.

Mr. GRONNA. I object.

Mr. LODGE. Let the resolution be read.

Mr. CURTIS. I hope the resolution may be read before the Senator from North Dakota objects.

The VICE PRESIDENT. Without objection, the Secretary will read the resolution.

The Secretary read the resolution (S. Res. 231), as follows:

Resolved, That the consent of the Senate is hereby given to an adjournment sine die of the House of Representatives at any time prior to December 1 when the House shall so determine.

Mr. ASHURST. I object, Mr. President.

The VICE PRESIDENT. Objection is made.

Mr. SWANSON. Mr. President—

Mr. LODGE. I yield to the Senator from Virginia.

FUNERAL EXPENSES OF THE LATE SENATOR MARTIN.

Mr. SWANSON. I present a resolution and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Without objection, the Secretary will read the resolution.

The resolution (S. Res. 230) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay, from the miscellaneous items of the contingent fund of the Senate, the actual and necessary expenses incurred by the committee appointed by the President pro tempore in arranging for and attending the funeral of the Hon. THOMAS S. MARTIN, late a Senator from the State of Virginia, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

MEMBER OF MISSISSIPPI RIVER COMMISSION.

Mr. KIRBY. Mr. President, I ask unanimous consent, as in closed executive session, that the Senate confirm the nomination

of Col. Mason M. Patrick, who was appointed a member of the Mississippi River Commission. The nomination was referred to the Committee on Commerce, and the committee authorized me to report it favorably if the Senators from Col. Patrick's State did not object. They are in favor of the confirmation of his nomination, which has been held up for two months, and I should be very glad to have the nomination confirmed at this time.

Mr. SMOOT. I object.

The VICE PRESIDENT. Objection is made.

ADJOURNMENT.

Mr. LODGE. I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 15 minutes p. m.) the Senate adjourned until Monday, November 17, 1919, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, November 15, 1919.

The House met at 10 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven, profoundly sensible of a rich inheritance from Thee, through our fathers, in the sanctity of the home with all its endearing affections, in the Republic with its free and glorious institutions, in the Christian religion with its bright hopes and far-reaching promises, help us, we beseech Thee, to prove ourselves worthy of such preferment by living pure, generous, noble, patriotic Christian lives; and glory, and honor, and praise shall be Thine forever. Amen.

THE JOURNAL.

The Journal of the proceedings of yesterday was read.

Mr. KAHN. Mr. Speaker, I notice in the reading of the Journal it says that on motion of Mr. CURRY of California a bill was rereferred from the Committee on Foreign Affairs to the Committee on the Territories. I think that should be, "rereferred from the Committee on Military Affairs."

The SPEAKER. Without objection, the correction will be made.

There was no objection.

The Journal was approved.

QUESTION OF PERSONAL PRIVILEGE.

Mr. BLANTON. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman from Texas rises to a question of personal privilege, and to save time the Chair will state that he has seen the newspaper article upon which the gentleman bases his question of personal privilege, and the Chair thinks it does raise a question of personal privilege.

Mr. BLANTON. Mr. Speaker, although I am entitled to an hour, I would not take up even the few minutes I am going to use at this highly crucial time, when every moment is needed for public business, were it not for the fact that on many occasions the Washington Times has seen fit to abuse me in an unwarranted way. In the Times of yesterday, in a double half column, on the back page of that paper, cheap abuse was heaped on me. I have a right to show the Members of this House the animus which is behind this editor in this regard.

A short time ago, in the Washington Times, Mr. Brisbane saw fit to publish a statement in connection with my photograph wherein, immediately underneath my picture in the Times, was asserted, "The meanest man." That may be his opinion of me because I have seen fit to make some fights on the floor of the House in behalf of all the people from time to time.

Mr. Brisbane's Times asserts that I am the meanest man in the country. In connection with that and other attacks made upon me I called attention some time ago to the following facts as showing the reason for his animus. In other words, I called attention to the fact that on September 14, 1918, the Hon. A. Mitchell Palmer, who was then custodian of alien property, but who is now the Attorney General of the United States, made this statement:

The facts will soon appear which will conclusively show that 12 or 15 German brewers of America, in association with the United States Brewers' Association, furnished the money, amounting to several hundred thousand dollars, to buy a great newspaper in one of the chief cities of the Nation; and its publisher, without disclosing whose money had bought that organ of public opinion, in the very Capital of the Nation, in the shadow of the Capitol itself, has been fighting the battle of the liquor traffic.

I called attention to the fact that on page 742 of the printed hearings before the Senate subcommittee of the judiciary Mr. Arthur Brisbane, the editor of this paper, to which the Attorney

General of the United States had referred, was forced to testify that he had borrowed \$375,000 in cash from Mr. Feigenspan, a brewer, without interest or bankable security, to buy the Washington Times.

I do not care what my privilege is on the floor of the House, I take it I would have no moral right to resort to personal abuse any more than has Mr. Arthur Brisbane the moral right, in an unwarranted way, to maliciously attack a Member of Congress. I take it that I have no moral right, regardless of my privileges here, to resort to personal abuse against the editor who attacks me. I shall not resort to such abuse. I do not have to attempt to vilify a man in order to support my own standing in the country. It is unnecessary, because the Attorney General of the United States has already lodged a sufficient indictment against Mr. Arthur Brisbane when he has stated, in effect, that Mr. Arthur Brisbane is—what? A German brewers' pimp. [Laughter and applause.] That is what he is asserted to be—a pimp for German brewers in war times. It is the present Attorney General of the United States who thus indicts him. The German brewers' pimp says I am the meanest man in the country, and he makes an attack on me in his paper. Gentlemen, I will not take any further time.

ARMY REORGANIZATION.

Mr. KAHN. Mr. Speaker, I ask unanimous consent to make a brief statement to the House for about five minutes on the Army reorganization.

The SPEAKER. The gentleman from California asks unanimous consent to address the House for five minutes. Is there objection?

There was no objection.

Mr. KAHN. Mr. Speaker, the Committee on Military Affairs has been holding meetings practically every day since the extraordinary session of Congress was convened. For three months of the time we have devoted ourselves to the taking of testimony on bills appertaining to the reorganization of the Army.

After every war in which this country has been a participant it became necessary to pass legislation reorganizing our Army. The great World War, in which we participated so successfully, has brought in its train many new problems regarding military organization, problems that were unknown to the Military Establishment of our country five years ago.

It is believed by the members of the committee that in the legislation that we will ultimately report to the House such branches of the Army as a tank section and a chemical warfare section will have to be provided. These are two of the entirely new developments of modern warfare. A number of new divisions and bureaus of the supply departments were also created during the war. Among these were the Finance Division, the Transportation Corps, the Motor Transport Corps, the Construction Corps, and the Bureau of Purchase, Storage and Traffic, while the Air Service was divorced from the Signal Corps and functioned as a separate organization. Some of these new organizations have been continued under the Army appropriation act of July 11, 1919, until June 30, 1920. Others will continue at the discretion of the President under the Overman act until six months after the proclamation of peace. Therefore the members of the Military Affairs Committee feel that these matters should be fully looked into, with a view of reaching a decision that will be satisfactory to the country as well as to the Army.

It is only fair to state that there is a diversity of opinion among the officers of the Regular Establishment as to the final solution of these problems. The committee is desirous of receiving all the light that may be obtained regarding the subjects at issue. Up to the present time the committee has not been able to hear the representatives of the National Guard organizations or other societies and associations who have expressed a desire to have some of their members appear before the committee. We recognize the fact that the legislation is intended to determine definitely the character and size of our military organization. To do our work thoroughly we will have to continue our hearings for the present. But we feel that we will be the better able to reach conclusions after we are fully informed upon the various matters embraced in the general scope of the Army reorganization bill.

The committee, however, have reached a practically unanimous conclusion as to the size of the Regular Army at this time. We feel that the legislation ought to contemplate a regular force of 250,000 combat troops. With the necessary auxiliary forces in the Supply and Staff Corps, it will probably bring the total number of officers and men to about 300,000. Enlisted men in the Regular Army, we feel, should be recruited by voluntary enlistments.

The committee has also reached a practically unanimous conclusion in favor of a single list. The question of promotion heretofore has been a serious and disturbing one in the matter of Army legislation. Your committee feel that if we can work out a plan for a single list for all officers which would supplant the lineal list that has prevailed in the past, an excellent purpose will have been accomplished and much of the dissatisfaction arising out of the question of promotions in the Army will be alleviated.

The matter of the National Guard and universal training will be fully considered by the committee in connection with the legislation of the reorganization of the Military Establishment.

ASSASSINATION OF SOLDIERS.

Mr. BRAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by publishing an editorial in the Washington Post in regard to the assassination of the soldiers at Centralia, Wash.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his remarks in the Record by inserting an editorial from the Washington Post. Is there objection?

Mr. KNUTSON. Reserving the right to object, how long is the editorial?

Mr. BRAND. It is not very long, but it constitutes a just and strong indictment against the assassins of these soldiers which I heartily indorse.

The SPEAKER. Is there objection?

There was no objection.

The editorial is as follows:

A GRIM LESSON.

The dastardly outrage perpetrated at Centralia, Wash., causes the blood of every loyal citizen to boil with resentment. That former American soldiers, marching in a street parade in celebration of Armistice Day, should be shot down in cold blood by anarchist snipers is well-nigh inconceivable, and yet that is what happened on Tuesday.

Local authorities, backed by the righteous indignation of the people, may be counted upon to see that the punishment of the law is visited upon the assassins, and the wrath of the Nation will be satisfied with nothing less than the imposition upon the guilty ones of the extreme penalties permitted by the statutes.

That the murders were the work of the I. W. W. there is no doubt. With characteristic stealth and cowardice they fired upon the marchers from roofs and windows, hoping to make a get-away in the excitement.

Perhaps this distressing incident will have the effect of directing public and congressional attention to the imperative necessity of enacting more stringent laws for dealing with the radical element in this country and awaken the people to conditions which unfortunately have been too generally minimized. It is only when a bomb outrage is unearthed or when some such incident as that at Centralia attracts the public attention that the thought of the people is centered upon the red peril.

There is legislation now pending before Congress which, if enacted, will enable the Department of Justice to deport several hundred dangerous aliens now held in internment camps, but who must be released immediately upon the declaration of peace. If this bill does not become a law before peace is proclaimed, the Attorney General will be obliged to turn this desperate, lawless horde loose upon the country. Congress should delay action no longer.

But it is evident that deportation is not effective to deal with the situation. The intruder who breaks into a home with intent to commit murder and arson deserves something more than merely being ejected by the police. Sterner methods must be adopted for meeting the menace of radicalism, and the sooner Congress appreciates the fact and, casting aside all political and other considerations, proceeds to strengthen the bulwarks of American liberty the better it will be for the country.

There has been altogether too much timidity shown in connection with this question, too much pandering to politics, too much hesitation in attacking an obvious duty. Statesmen have professed a fear of weakening the safeguards of free speech vouchsafed by the Constitution, but of what use is our Constitution to us if the Bergers and the Debases and the Berkman, Goldmans, and Haywards get control of the Government?

We should have a new judicial definition of treason, for the people of the United States are beginning to realize that there is such a thing as treason without a state of war. Revolutionists, urging that the Government be torn down and destroyed, deserve a punishment more severe than a slap on the wrist and a free trip to Europe.

Centralia points a lesson which the people will do well to heed and to impress upon their Representatives in Congress.

The Centralia tragedy emphasizes the fact that the National Government is not alone responsible for the suppression of the reds. The police power of the State should be exerted, and must be exerted with far greater vigilance than heretofore, if public order is to be maintained. The murders at Centralia were crimes against the State, and, of course, will be prosecuted as such; but there has been very little preventive legislation in the various States, and now the red harvest of neglect is beginning to ripen.

The nests of anarchy must be rooted out by local officers. It is too much to expect the United States Government to stand watch at every keyhole. Local vigilance can do more than national organization in the running down of plotters.

Now that the reds have challenged the people there can be only one response. The law will be enforced and public order will be maintained. The coddling of insane anarchists must cease; the trucking to threatening organizations must come to an end.

Attorney General Palmer is on the right track in pushing the fight against the reds. He has the courage and ability to run them to earth. Every loyal citizen should support him in every possible way. The local authorities throughout the States should seek methods of protecting their respective communities by sharper surveillance and quicker punishment of the reds.

Let there be no temporizing with suspected reds, and no mercy for proved enemies of the United States.

THE COAL CONFERENCE.

Mr. DENISON. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. The gentleman from Illinois asks unanimous consent to address the House for five minutes. Is there objection?

There was no objection.

Mr. DENISON. Mr. Speaker, a conference of the coal operators and representatives of the coal miners has been called by the Secretary of Labor, acting for the President of the United States, to meet in Washington to adjust their differences, if possible. The conference is now considering the question.

I want to express in this public place the hope that the operators will recede from their position taken heretofore, at least to the extent of agreeing with the representatives of the miners to an increase in wages. I think the country and the coal miners are to be congratulated over the stand taken by Mr. Lewis and those associated with him in bowing to the law and the decree of the courts of the country. Whatever we may think about the law under which this proceeding was begun, it is the law; and it is the duty, of course, of all American citizens to submit to the law. If the law is bad or not what it ought to be, then the law ought to be repealed as soon as possible; but so long as it is the law, it ought to be obeyed. I think that the country and the miners are to be congratulated upon the stand their executives have taken.

There has been a great deal of misrepresentation, and there has been some of it here on the floor, in respect to what some have called the exorbitant demands of miners in respect to wages. For instance, it has been frequently stated that the coal miners earn from five to ten and twelve dollars a day, which may be true. But the coal business is a peculiar thing. Very often the mines work only two or three days a week. Coal is a peculiar commodity. It is both bulky and combustible. It can not be stored. Therefore it has to be mined just as the demands of the market and the supply of cars permit. Sometimes there is a good demand for coal but no available supply of cars. At other times there may be plenty of cars but no sale for the coal. In either case the mines do not work and the miners lose their wages. Work in coal mines fluctuates with the market conditions and the supply of cars.

Mr. SNYDER. Mr. Speaker, will the gentleman yield?

Mr. DENISON. I have only five minutes.

Mr. SNYDER. I just want to correct one statement which is frequently made in the newspapers and which the gentleman has just made, that coal can not be stored. As a practical proposition, coal can be stored, because there has not been a time in the last five years, notwithstanding the war, when I have not had on my own yard from 800 to 1,000 tons of coal, and some of it for three years at a time.

Mr. DENISON. Of course, the gentleman must understand what I mean. I mean that the coal companies can not store the coal at their mines. Of course every individual can put a few tons in his bin. But there is only one way known, so far as I have ever heard, by which you can store large quantities of coal, and that is in water; but there is not a coal mine in this country, that I know of, where they are prepared to store coal. The expense involved makes it prohibitive. Therefore work in the mines means frequently only work for two or three or four days a week; and the coal miners with their families to support, with the cost of living as it is at the present time, and as it has been for the past year, can not support their families and educate their children as they are entitled to do upon the wages they are now receiving. When a man can only work two or three or four days a week he must receive higher wages than do those in other employments where there is work six days in the week.

Those who try to exaggerate the earnings of the coal miners always refer to what they get per day, instead of what they get per month or per year; when you consider their earnings from month to month and from year to year, you will find that the coal miners are underpaid; they ought to have better wages in my judgment. I want to express in this public place, while this conference is now going on here in Washington, the hope that the operators will not take their stand on the technical construction of the law that was passed for war purposes, but will consider the whole question in a broader light, and especially in view of the present unfortunate conditions which oppress us all. When a large class of our people are actually oppressed by living conditions it is but natural that they should feel a resentment which finds expression in discontent and a demand for relief. Such conditions must be recognized and dealt with in a public rather than a selfish spirit. This is a time for liberal and just treatment for all American workmen.

There has been a great deal of prejudice aroused by statements frequently made that the demand of the coal miners and other workmen for improvement in their conditions and for increases in their wages is due to the agitation of foreigners. It may be true that a part of the troubles that are now existing in certain parts of the country have been caused by foreigners who have gotten into the labor unions. But I want to say that that is not the case in Illinois, at least not in the part of Illinois that I represent. While there are a great many foreigners in the coal mines of Illinois, they are, as a rule, law-abiding, substantial men, and most of them are American citizens.

The coal miners in southern Illinois are mostly farmers and sons of farmers and others who have gone into the mines because the conditions of employment in other lines of work have been too unremunerative. They have their homes and their families, and, like others, want to live according to the standards of those about them and educate their children. I think they are entitled to that and even more.

And I think the wages of the coal miners should be sufficient to enable them not only to live in comfort and educate their children, but to save for their families and for the rainy day. They can not do so on the wages they are now receiving. I think the coal miners have been very reasonable in their wage demands since this country entered the war. No part of our citizens were more patriotic or did more to enable us to successfully prosecute the war than the coal miners. They refused exemptions on the ground of their employment; they enlisted loyally, and they contributed liberally to the purchase of Government bonds and donations for the Red Cross and other war work, and I do not think they have made any extravagant demands for wages.

And now, when the cost of everything they have to have is so high, it seems to me they are entitled to a readjustment of things.

I have been, Mr. Speaker, busily occupied during the past two months in connection with this railroad legislation that is now before the House. On account of strikes and threatened strikes and other disturbances in various parts of the country, the public has no doubt been aroused, and there has been considerable sentiment created against the officials of some of the labor organizations. I have hoped that this feeling would not be reflected in any legislation that is to be passed at this time. I have believed that our endeavor should be to deal justly in these matters and prevent any radical legislation that might tend to increase rather than decrease the unrest and discontent that seems to be prevalent in the country. A large part of the people I represent work in the coal mines and on railroads, and whatever legislation may be passed, I hope it may help them and at the same time be fair and just to the rest of the country.

During the consideration of the pending railroad bill I received communications from persons who asked that the bill contain some kind of a provision authorizing the Interstate Commerce Commission to compel railroads to provide facilities for the storage of coal. I discussed the matter with members of the committee; but so far as we could learn, the proposition presented difficulties which rendered it impracticable. If coal could be safely stored so that work in the coal mines could be made more steady and uniform, many of the difficulties of the coal miners could be avoided; but until that can be done, coal mining must remain very irregular and the work of coal miners must be accordingly uncertain. And under such circumstances it is necessary that their wages should be adjusted accordingly.

I hope that the conference may result in an amicable settlement of the matter and an agreement by which the coal miners may get a substantial increase in their wages. Coal is a necessity for the Nation, and work is a necessity for the miners. If both parties should but keep those facts in mind and approach the controversy with open minds and with public spirit, I believe there can be an adjustment which will work to the advantage of both the contending parties and the public.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. The gentleman from Wyoming asks unanimous consent to address the House for five minutes. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I wish to ask in connection with that that the gentleman from Virginia [Mr. Woods] have five minutes.

The SPEAKER. The gentleman from Texas couples with that the request that the gentleman from Virginia [Mr. Woods] have five minutes. Is there objection?

Mr. ESCH. Mr. Speaker, I think we ought to make progress on the bill under consideration, and I object.

The SPEAKER. The gentleman from Wisconsin objects.

Mr. WOODS of Virginia. I do not ask for five minutes.

Mr. BLANTON. Mr. Speaker, I withdraw my request.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming? [After a pause.] The Chair hears none, and the gentleman is recognized for five minutes.

Mr. MONDELL. Mr. Speaker, I have listened with a great deal of interest to what the gentleman from Illinois [Mr. DENISON] just said. We are all in favor of having good wages paid to everybody in this land—the men in the coal mines, the men out of the coal mines, and everywhere. Public welfare is never so well conserved as when men and women everywhere are paid well for their work and effort. They ought to be so paid. These questions of wages and conditions of labor vitally affect not only the employees in industries and the employers but the general public, which should have its interest considered as well as the interests of the men who are engaged in an industry, and of those who employ them. It has become quite evident in the recent past that many employers are perfectly willing to agree to any sort or kind of an arrangement relative to employment so long as they can pass the added cost with an added profit on their part along to the public. [Applause.] It is about time that the public woke up to the fact that the people as a whole have rights as well as the individuals in certain lines of employment and the employers in certain industries. The industry of coal mining is dangerous. It is trying; it is difficult. Men in that line of employment are entitled to more than a fair wage. They are entitled to a liberal wage. But in this as in all lines of endeavor one of the questions to be considered is what a certain amount of effort is worth to the world. What men are entitled to as compared with what other men can earn with similar effort working for themselves or others in other employment. The coal operators would in my opinion have been perfectly willing to agree to even the extraordinary demands of the officials and representatives of certain of the coal miners if they thought they could pass the added cost on to the public with a little added profit on the side, as they have done during the war. They concluded that the public was not ready to pay the increased price of coal that the granting of those demands would entail with an added profit for themselves besides. What I hope is that when wage conferences meet to consider wages and conditions of labor there will be considered not only the interest of the men who work and the men who employ in the particular fields under consideration but the interest of the public as well, to the end that no arrangement may be made whereby the price of an essential commodity shall be advanced to a point where the people can ill afford to pay for it, shall not be raised above a price necessary to pay a liberal wage and a fair profit. It is about time that the public woke up to its interest in all these matters and insisted that both sides to wage controversies should have some regard to the plain, ordinary citizen who in the long run lays the bill. [Applause.]

THE RAILROAD BILL.

Mr. ESCH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 10453) to provide for the termination of Federal control of railroads and systems of transportation; to provide for the settlement of disputes between carriers and their employees; to further amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the railroad bill, with Mr. WALSH in the chair. The Clerk reported the title of the bill.

The Clerk read as follows:

SEC. 404. Section 2 of the commerce act is hereby amended to read as follows:

"SEC. 2. That if any common carrier subject to the provisions of this act shall, directly or indirectly, by any special rate, rebate, drawback, or other device, charge, demand, collect, or receive from any person or persons a greater or less compensation for any service rendered, or to be rendered, in the transportation of passengers or property or the transmission of intelligence, subject to the provisions of this act, than it charges, demands, collects, or receives from any other person or persons for doing for him or them a like and contemporaneous service in the transportation or transmission of a like kind of traffic or message under substantially similar circumstances and conditions, such common carrier shall be deemed guilty of unjust discrimination, which is hereby prohibited and declared to be unlawful."

Mr. RAYBURN. Mr. Chairman, I move to strike out the last word. Mr. Chairman, on November 13 there was mailed to the Members of the House a communication signed by the "Plumb Plan League," containing various and sundry statements with reference to the so-called Esch bill, its provisions, and its preparation. I was not a member of the subcommittee that framed this legislation. I am, however, a member and served as a member on the full committee. Of course, I have had some sur-

prise that some member of the subcommittee, and especially some member of the majority of this committee, has not said something more than the mere reference of the gentleman from Wisconsin the other day to this remarkable document. It goes on, among other things, to say that labor was not consulted in the preparation of this bill, which is known to be an absolute untruth by every member not only of the subcommittee but of the full committee. It goes on to say further that "bad as the provisions of the Cummins bill are, the provisions reported by the subcommittee and adopted by the full committee are even more vicious than the provisions of the Cummins bill."

Among other things it pays Congress this high compliment—Apparently our statesmanship is as bankrupt as our railroads.

Of course, in the light of the public sentiment in this land, when I believe that 80 per cent of the people of this country are for a Government of law [applause], where they believe that every man, it matters not how high his position nor to what organization he belongs, should obey the law the same as every other man of this Government. [Applause.]

Mr. FESS. Will the gentleman yield?

Mr. RAYBURN. I will.

Mr. FESS. Would it embarrass the gentleman to say who is making that statement?

Mr. RAYBURN. The letter accompanying the statement is signed, "Sincerely, yours, the Plumb Plan League."

Mr. FESS. And no responsible—

Mr. BLANTON. Who is the manager of that league?

Mr. RAYBURN. The president of this concern is Mr. Warren S. Stone, grand chief of the Brotherhood of Locomotive Engineers. The manager of this concern is Edward Keating, formerly a Member of Congress.

Mr. FESS. Is Mr. Keating the same man who is on a commission drawing a salary from the Government?

Mr. RAYBURN. He is.

Mr. FESS. Well, can the gentleman state upon what responsibility a man serving upon a commission drawing a salary from the Treasury can operate as a manager for something that is entirely disconnected with anything for which he is paid out of the Treasury?

Mr. RAYBURN. There is a certainty in my mind that if Mr. Keating is attending to the duties of the office to which he was appointed he can not attend to this job. [Applause.] If he is attending to this job, then he can not attend to the Government job which he holds. [Applause.]

Mr. KING. Will the gentleman yield?

Mr. RAYBURN. I will.

Mr. KING. What work is he doing that takes all his time in connection with this league?

Mr. RAYBURN. I did not say it was taking all of his time. I say he is laying down on one of the jobs.

Mr. KING. Which one?

Mr. RAYBURN. I do not know.

Mr. FESS. Will the gentleman again yield?

Mr. RAYBURN. I will.

Mr. FESS. The statement to the effect that the Congress has become bankrupt in statesmanship should come from somebody who has had time to make the investigation, consequently he is not idle or would not make the statement.

Mr. RAYBURN. The people who write and sign such documents as this make statements without investigation and with a total disregard of the truth. [Applause.]

Mr. STEVENSON. Will the gentleman permit one question?

Mr. RAYBURN. Yes.

Mr. STEVENSON. Is it not a fact that Mr. Keating is merely serving on a commission created by this Congress and appointed by officers of this Congress, and has not Congress jurisdiction over him entirely? It is not a matter of Executive appointment, but a matter of appointment by Congress, and if he is violating the proprieties, why, the Congress has entire power to either abolish the commission or kick him out.

Mr. RAYBURN. The statement of the letter is as follows:

While these labor provisions cover several pages of the bill it is the significant fact that not one representative of organized labor was consulted in their preparation. We are convinced that the same man that wrote the financial provisions, giving Wall Street everything it asked, also drafted the labor clauses.

This travesty on legislation reveals the fundamental weakness of all schemes to return the roads to their former owners. The fact is that private ownership of the means of transportation has broken down. The Esch bill seeks to resuscitate it by granting outrageous increases in rates and extravagant Government subsidies.

I speak for myself; other members of the committee may speak for themselves; the statement that labor representatives were not consulted and were not given a full hearing upon this bill, and the further statement that Wall Street wrote any provision of this bill, is a slanderous lie. [Applause.]

And the men who make that statement place themselves in the category of common scolds and common slanderers. [Applause.]

The Clerk read as follows:

SEC. 405. The first paragraph of section 3 of the commerce act is hereby amended by inserting "(1)" after the section number at the beginning thereof.

The second paragraph of section 3 of the commerce act is hereby amended to read as follows:

"(2) All carriers, engaged in the transportation of passengers or property, subject to the provisions of this act, shall, according to their respective powers, afford all reasonable, proper, and equal facilities for the interchange of traffic between their respective lines, and for the receiving, forwarding, and delivering of passengers or property to and from their several lines and those connecting therewith, and shall not discriminate in their rates, fares, and charges between such connecting lines. The commission may require the terminals of any such carrier to be open to the traffic of other such carriers upon such just and reasonable terms and conditions, including just compensation to the owners thereof, as the commission after notice and full hearing, upon complaint or upon its own initiative, may by order prescribe."

Mr. MADDEN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. MADDEN: Page 55, line 9, after the word "prescribe," amend by adding a new section, as follows:

"(3) From and after the passage of this act it shall be unlawful for any common carrier, owner, operator, manager, trustee, receiver, or lessee of any transportation system or systems within the territorial boundaries of the United States of America and engaged in or soliciting interstate commerce under a common control, management, or arrangement for a continuous carriage, or any servant, agent, employee, or official of such common carrier, owner, operator, manager, trustee, receiver, or lessee, or any other person, to deny, or refuse to furnish, by any method or device whatsoever, equal and identical rights, accommodations, and privileges to any person who shall apply therefor and pay, or offer to pay, the uniform charge or charges for interstate transportation, when such denial is on account of the race, color, or previous condition of the person so applying; or to operate upon any part of their transportation system or systems any car, train of cars, vessel, or other conveyance, in and upon which any person being transported to a final destination beyond the boundaries of any State or Territory of the United States of America or beyond the boundaries of the District of Columbia and paying, or offering to pay, the uniform charge or charges for transportation in interstate commerce, shall, on account of race, color, or previous condition of servitude be separated from any other passenger paying or offering the uniform charge or charges for transportation in interstate commerce, or be denied rights, accommodations, and privileges equal and identical to those accorded every other person paying the uniform charge or charges for interstate transportation; or to assault, molest, or in any other way injure or oppress any person for the exercise of any right herein granted or protected.

"Whoever shall violate any of the provisions of this section, or connive at the violation thereof, shall, upon conviction, be fined not less than \$1,000 nor more than \$5,000, or be imprisoned for not less than one year, nor more than five years, or be both fined and imprisoned, and each succeeding day's violation of the provisions hereof shall constitute a separate offense."

Mr. BLANTON. Mr. Chairman—

Mr. BARKLEY. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state the point of order.

Mr. BARKLEY. The point of order is that it is not germane to the section which we have just read nor to anything contained in the bill. The section which we have just read is a provision regulating the interchange of freight between carriers subject to the act, and regulating the compensation or distribution of compensation as between carriers who interchange freight and passengers. The amendment offered by the gentleman from Illinois [Mr. MADDEN] seeks to compel all carriers subject to the act to afford not only equal but identical service and accommodation to passengers, and seeks to prevent any railroad company, notwithstanding the regulations that may be in force in any State, from compelling or requiring various classes of passengers to occupy different parts of a train or accommodations.

Now, there is nothing in this bill which attempts to infringe upon the rights of local communities to regulate the passenger traffic over lines running through a State, with reference to classes of accommodation or to separation of cars for particular passengers.

The gentleman's amendment, if it is adopted, would accomplish the result which he desires to accomplish, to wit, compelling the railroads to not only furnish equal accommodations, which they are required now to do under all the State laws, but to furnish identical accommodations. They would have no right to separate any class of passengers who might be riding upon a train, under the amendment offered by the gentleman from Illinois. There is nothing in this bill that seeks to regulate passenger traffic, except that all charges, both for freight and for passengers, shall be just and reasonable. There is nothing in this bill that seeks to limit the railroads in furnishing various compartments or separate cars for various kinds of passengers. And certainly the amendment of the gentleman from

Illinois is not based upon anything that is in the section which we have already read, or is in any part of the bill. Therefore I make the point of order that it is not germane to the section or to the bill under consideration.

Mr. BLANTON. Mr. Chairman, I make the further point of order that there is no provision in the section to which this is sought to be an amendment, providing for any criminal penalty whatever; and the amendment offered by the gentleman from Illinois [Mr. MADDEN] seeks to specify what kind of acts shall constitute a crime, together with providing a penalty for its violation. And it is clearly subject to a point of order on that account.

Mr. MADDEN. Mr. Chairman, the contention of the gentleman from Kentucky [Mr. BARKLEY] and also the contention of the gentleman from Texas [Mr. BLANTON] that the amendment offered is not germane, either to the section of the bill or to any provision of the bill, I maintain are not well taken. To begin with, section 405 of the pending bill proposes to amend section 3 of the commerce act, which is entitled "undue preference." These have been held by the Federal courts to be matters of fact and not of law. Some of the items to be taken into account in connection with the undue preference are the public acts, the convenience of public interest of the carrier, relative to volume of traffic, relative to cost and profit to the carrier, and so forth.

Now, this bill provides for an appropriation of \$250,000,000 to be turned over to the carriers of the country as a fund with which to enable them to proceed uninterruptedly and successfully after the roads have been turned over to them by the Government.

The record shows that the additional cost of maintaining separate cars in the States where they are maintained is about \$20,000,000 a year, and it becomes a burden upon the taxpayer by reason of that excessive cost. And inasmuch as the Government now is to supply the funds with which to enable the carriers to proceed with success, I maintain it becomes a very serious question as to whether or not separate carrying facilities shall continue to be furnished.

Mr. MOORE of Virginia. Mr. Chairman, I would like to inquire whether the gentleman can proceed to debate the question upon its merits? Personally, I would like to debate it on its merits. I would never make a point of order, but if there is to be any debate, we should all have an opportunity of participating in it.

Mr. MADDEN. I am endeavoring to argue the point of order. The gentleman from Kentucky [Mr. BARKLEY] made the statement that this was not germane to any part of the bill, and I am endeavoring to show, since the bill carries an appropriation of \$250,000,000, that that is a material part of the bill. And if any part of that \$250,000,000 is to be used to supply additional facilities that can be gotten along without, I maintain that is not arguing the merits of the amendment at all, but arguing the reasons why it is germane. And this \$250,000,000 we are appropriating in this bill is to be raised by taxation against the people of the United States, and it is of material interest to the people of the United States whether any part of the \$250,000,000 is to be expended for a function of the railroads which can be properly eliminated.

Mr. BLANTON. Mr. Chairman, I withdraw my point of order. I would like to get a vote on it.

Mr. MADDEN. Well, there is another point of order pending. I am willing to take it on its merits. If the gentleman will withdraw it I will be glad. Section 3 of the commerce act provides:

All carriers engaged in the transportation of passengers or property, subject to the provisions of this act, shall, according to their respective powers, afford all reasonable, proper, and equal facilities for the interchange of traffic between their respective lines.

Now, if the language which I have just read does not mean that equal facilities shall be afforded to men and women who travel, as well as for bags of sand and cars of coal, all very well. But I maintain that equal facilities must be supplied to all traffic, whether it be freight or whether it be passengers. And if I read correctly the language of the section of the interstate-commerce act which this language proposes to amend, and also read the language of the proposed amendment, I can not lead myself to believe and understand that the amendment which I have proposed is not in every way germane, not only to the section which it proposes to amend but to the section of the interstate-commerce act which is sought to be amended.

The CHAIRMAN. The Chair is ready to rule. The section of the commerce act which is under consideration by the proposed amendment in the bill known as section 405, is section 3, which deals with undue or unreasonable preference, or advantages, facilities for interchanges of traffic, and discrimination

between connecting lines. The first paragraph of the section does not state, but it provides in substance—

That it shall be unlawful for any common carrier to make or give undue or unreasonable preference or advantage to any particular person or subject any particular person to any undue or unreasonable prejudice or disadvantage in any respect whatsoever.

The paragraph which is amended is paragraph 2, which deals with the matter of affording reasonable, proper, and equal facilities for the interchange of traffic, for the receiving, forwarding, and delivering of passengers and property, and to prevent discrimination in the rates, fares, and charges between connecting lines. It further provides that the commission may require terminals to be opened upon reasonable terms and conditions.

This amendment, as proposed by the committee and as printed in the bill, the Chair thinks, makes the original section 3 of the commerce act subject to any proper and germane amendment. The gentleman from Illinois [Mr. MADDEN] offers an amendment which proposes to insert a new paragraph to this section of the bill, and the subject of the amendment of the gentleman is, in effect, that railroads subject to the commerce act shall not deny or refuse to furnish equal and identical rights, accommodations, and privileges to persons who shall apply and pay or offer to pay the charges for interstate transportation when any such denial is for any particular reason set forth in the amendment, and therefore that such persons shall not be molested for particular reasons, and it also adds a penalty. The point of order made by the gentleman from Texas [Mr. BLANTON] in respect to the penalties, the Chair understands, has been withdrawn.

Mr. BLANTON. Yes. I withdraw it.

The CHAIRMAN. And the only point of order pending is that of the gentleman from Kentucky [Mr. BARKLEY], that this particular amendment is not germane to the paragraph in the bill or to the section of the commerce act.

The Chair is of opinion that, inasmuch as Congress has heretofore passed legislation—section 3 of the commerce act—dealing with undue or unreasonable preferences or advantages to any particular person, company, firm, corporation, or locality, and with the matter of subjecting any particular person, company, firm, corporation, or locality, or any particular description of traffic, to any undue or unreasonable prejudice or disadvantage in any respect whatever, it is within the province of Congress to further restrict the action of carriers subject to the commerce act in the matter of giving undue preference or subjecting persons to unreasonable or undue disadvantage; and inasmuch as the substance of the amendment of the gentleman from Illinois deals with the matter of subjecting persons to any undue or unreasonable disadvantage when they have paid or offered to pay for transportation in interstate commerce, the Chair therefore overrules the point of order.

Mr. MADDEN. Mr. Chairman, now as to the justice of the amendment, I wish to say that in the largest part of continental America there is no discrimination whatever as to who shall ride, or when, or in what car. It is only in certain sections of the United States that the prohibition is enforced. It is true there is no law that prohibits the States in which this exercise of power is practiced from making police regulations to do what they do, but I maintain that there ought not to be any power in any State in the land to make a police regulation that enables that State to do what other States of the Union do not do.

There is no trouble whatever in the States in which freedom of travel prevails. Nobody has ever been heard to complain that they are inconvenienced by the fact that freedom of travel exists between all peoples, and I maintain that the laws of the United States should be uniform and applicable to every State in the Union alike, to all the peoples of the United States alike.

Now, what happens? We do not admit to our citizenship the Japanese or the Chinese, but if a Japanese or a Chinaman gets on a train at Chicago with a through ticket to Birmingham, Ala., I venture to say that there will be no official in Alabama who will take the Japanese or the Chinaman from the car in which he starts on his journey and compel him to enter another car when he reaches the border line of the State of Alabama. Now, if that be true with respect to those who are not entitled to American citizenship, why should there be a distinction as to those who not only are entitled to American citizenship, but who are native-born Americans? The Chinaman or the Japanese is not called upon to exercise any responsibility in time of need for the protection of the American flag, and neither would the Government of the United States have the power to requisition him for that purpose. But what do we do? Do we make any distinction as to the color of a man's skin when we need defenders of the Nation's flag? Do we ask the man whom we requisition to become a soldier whether he is black or white?

What is it that we do ask him? We ask him if he is physically fit, and if he is physically fit to do the things that are required to be done to preserve American honor and perpetuate American institutions we draft him into the Nation's service, where he may yield up his life. That being the case he should have equal rights under every law of the land.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. STEVENSON. Mr. Chairman, I regret that this question has been injected here. But it might as well be met at one time as another. [Applause.] The people of the Southern States, in so far as I know, have legislation for separate coaches for the white and colored people, and have provided that an equal accommodation should be provided for both. [Applause.] In so far as the law of South Carolina is concerned, I have the honor to have drawn, in conjunction with another, the amendments to the separate-coach act which has been the statute that has been on the statute books of that State ever since 1899, and it provides for absolute equal accommodations for both races, and there is no discrimination against either one. [Applause.]

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. SNYDER. Inasmuch as you have provided those accommodations, do you give them to them?

Mr. STEVENSON. The accommodations are substantially given.

Mr. SNYDER. That is the question.

Mr. STEVENSON. Sometimes they are not as good in one as in the other, but substantially they are complied with.

Now, Mr. Speaker, the gentleman from Illinois [Mr. MADDEN] has manifested considerable "agony" about the colored soldier. I want to know what the gentleman's State of Illinois has done for the colored soldier. A few weeks ago they had a race riot in the city of Chicago, whence the gentleman comes, and they shot down colored men from one end of the city to the other, as reported by the press, the race line being absolutely drawn between whites and blacks in the contest which it took the State troops to stop. I challenge the gentleman to charge anything like that to the people of any Southern State. A few weeks ago in this city, and by the same spirit, the same thing was done, and in the last few days in the city of Wilmington, Del., the same thing was done.

Now, I admit that occasionally, in violation of law, the people of the South take a man who is red-handed from committing an unmentionable crime and hang him to a lamp-post, but they do not begin to shoot all the colored people in the community for the reason that one individual has violated the law.

Now, I want to ask the gentleman's attention to the record of South Carolina and Chicago and Illinois, with respect to colored soldiers. At the last session of the Legislature of South Carolina, without any blare of trumpets or foaming at the mouth about the colored soldier, the State of South Carolina appropriated \$100,000 to build a memorial building to the colored soldiers who represented South Carolina on the fields of their country [applause], and provided for it to be put upon the grounds of the great educational institution that South Carolina maintains for them, and created a commission to appeal to the white people of South Carolina to subscribe voluntarily another \$100,000, to make it \$200,000; and to-day that cause is being successfully placed before the white people of South Carolina, and they are responding with their usual liberality and with their usual patriotism. Now, has the gentleman's State done anything of that kind? No. They propose to pay the colored soldier by a political, demagogical attempt to stir up race hatred in a country where we have abolished it [applause], because of our proper dealing with the race question. And, Mr. Chairman, whenever the gentleman from Illinois prevails upon his State to place the colored man of Illinois on an equality with the colored man of South Carolina in the recognition of his patriotism and of his representation upon the battle fields, then it will be time enough for him to begin to come down and assail the people of South Carolina and say, "You are discriminating against the colored man." [Applause.]

The CHAIRMAN. The time of the gentleman has expired. All time on the amendment has expired.

Mr. SUMNERS of Texas. Mr. Chairman and gentlemen, I want to appeal to my friends on both sides of the House in behalf of both the white race and the colored race living in the South to defeat this amendment. I believe my colleagues on this side of the House will acquit me of any charge of being intensely partisan. My father was a Confederate soldier, and I used to hear him and his old comrades talk about the days of long ago, and when I was a little boy I made up my mind definitely that if I ever grew up I would get me at least one Yank if I had to pot shot him. [Laughter.]

When I grew older and came in contact with the men on the other side of the line I found them to be the same sort of folks as my folks. [Applause.] Now, gentlemen, let me lay before you the situation. We are unfortunately situated in the South in that we are trying an experiment which has never before succeeded since time began. We are trying to have two races live in the same community where no white man is willing to imagine that day when his granddaughter will mingle her blood with the blood of the grandson of a black neighbor. We might just as well be honest about this. I do not know why, but when people live under a condition where there are a large number of an antagonistic race, with whose blood they are not willing to have their children mingle their blood, then there comes to men the call of the race. I am speaking to many a man who does not understand what I am talking about. Nature does not waste her energy, and unless you live in the presence of that danger you never hear the call. Why God has put that in the breast of the white folks I do not know, but it is there, and when that call comes men respond to a call that is higher than the call of the law of self-preservation, because it is the call for the preservation of the race. I have seen many a man who came to the South from a part of the country where that condition did not obtain, and after he came to the South he heard the call. When that call comes—I am going to be honest with you—it will not yield to reason. I make another statement, and make it deliberately. It has no code of honor. It is the blind, unyielding, all-sacrificing purpose of the dominant race to control the situation, and you might just as well argue to the moon as argue to a white man who is not a racial degenerate not to listen to that call. [Applause.] I mean no offense when I make that statement. I am not talking about a theory. I am talking about what I have seen men do who came from New England, and I want you to listen to me, men. We have a hard situation in the South. We are partly responsible for it, and so are the other sections. We violated that great law of life which God announced to Adam at the gate of the Garden of Eden, and you people in the North and we of the South also are violating that law when we are bringing into this country people to do our physical labor, the folks who are now trying to tear down the country, and you will have to pay a penalty also. We were not willing to do our own work; we brought an alien race to do it; we violated that law; and we of the South are paying most of the penalty. We are dealing with a hard situation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMNERS of Texas. I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. The gentleman asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Now listen to me, my countrymen. I am appealing to you as statesmen now. The South is a part of this country. We are undertaking to deal with a hard and a difficult situation. The races are compelled to commingle a great deal, but it is my deliberate judgment, and I state it not as a southern man, but as a man who has observed the situation, I make this statement deliberately and upon my responsibility as a Representative in the American Congress, that those laws which separate the two races traveling upon the common carriers of this country are of as great if not greater service to the colored man than they are to the white man. [Applause.] I make that statement deliberately. And, gentlemen, when you interfere with the attempt of the people on the ground to deal with a difficult and dangerous situation, you do no good to the people who occupy a subordinate position racially.

Mr. LAYTON. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Delaware.

Mr. LAYTON. I have no objection to a word that the gentleman has uttered. The call of the race is just as strong in me as it is in him, but I am going to put a frank question to him, one that in my judgment lies right at the heart of this whole matter. I believe that the North absolutely in its heart recognizes the conditions that prevail in the South, and the reason why the North has never attempted to exert political power in order to interfere with the government of the Anglo-Saxon race in the South is because they are in sympathy with the domination of the Anglo-Saxon race. [Applause.] But, gentlemen, this will always and eternally be a burning question in this country until you people of the South are willing to be counted only for the white race in your representation in the political affairs of this country.

Mr. RAYBURN. What was the question? The gentleman did not ask it.

Mr. SUMNERS of Texas. That is a question which I can not discuss now, because within 20 minutes this House, by its vote, is to speak those words which shall determine whether or not the people of the South who understand this situation shall be privileged to do the best they can to handle a difficult situation, or whether by national legislation you will inject an irritating situation there that will make the streets of the southern cities run red with the blood of the people you are trying to serve.

Gentlemen, do not misunderstand me. I do not mean that as a threat; I am trying to state the truth. If ever that time comes in the South, and you will find the same thing if you travel there, when this great horde of colored people, traveling to picnics, for instance, come crowding in with your wife and daughter, you will not like the situation. Bad blood will be engendered and somewhere down the line there will come a reckoning. I hope, gentlemen, you will view this matter from the standpoint of statesmen, and I believe you will. I hope when you come to render a decision you will recognize the fact which I admit, that it is a bad situation down there. I do not know where the end of it is, but I do know that unless you permit us to draw some line of separation somewhere, so that we can prevent the friction which inevitably results, you add to the difficulty of both the whites and the blacks. Gentlemen, do not mistake this: When a large number of white people and large number of black people come together in intimate relationship friction does develop. Unless you give a chance to prevent the friction which inevitably develops, then upon you and upon you alone, when you put this amendment into effect, must rest the responsibility. [Applause.]

Mr. SNYDER. Mr. Chairman, I move to strike out the two last words. Mr. Chairman and gentlemen, I quite agree with the sentiment and with the statement made by my friend from Texas [Mr. SUMNERS]. [Applause.] I am firmly of the belief that we are confronted with difficulties enough in this country already without bringing on this issue at this time. [Applause.]

Up in our country we travel occasionally on the trains in common community interests with the colored man. We do not realize in our section of the country what it means to you men in the South, in my judgment. I have traveled some in the South; I have traveled in almost every country in the world, and have sat in both common coaches and parlor coaches and steamships with almost every race in the world. I am convinced that this question is not a proper one to be raised at this time and that there is no call for it on the part of the colored citizens of this country. So far as I have been able to learn there is no demand for this on the part of the people that some gentlemen are trying to protect. I, for one, am opposed to the proposition and believe that it should be voted down. [Applause.]

Mr. MOORE of Virginia. Mr. Chairman, I move to strike out the last line. Mr. Chairman, the situation is this: In the long time since the early days we have had the race problem in the South. It has been our problem since the time when the first ship moved into Hampton Roads with the first cargo of negroes, and then later when the Declaration of Independence denounced the slave trade, and when most of the Southern States in the Constitutional Convention endeavored, but in vain, to bring about immediate abolition of slavery.

In recent years the conditions as they have developed have proved the wisdom of those who endeavored at the outset to prevent the problem from becoming more and more serious. Mr. Jefferson a little while before he died, looking back, saw the menace of what had occurred, and, looking forward, was full of apprehension, saying that the agitation of the race question was like the sound of a fire bell ringing in the night.

In these later days, without animosity to the other race and without any sacrifice of the desire to treat its members fairly, we have, of course, as the gentleman from Texas [Mr. SUMNERS] says, heeded the call which is stronger than any human law, and have never ceased, and never will cease, to recognize and preserve distinctions that are ineradicable. [Applause.]

For instance, we do not and never will tolerate miscegenation, and the Supreme Court has said that in that we are within our rights. We have adopted the policy of separation so far as railroad facilities are concerned, and, as I understand, the Supreme Court has held that if rules and regulations to that effect are reasonable and reasonably administered we are within our rights. The Interstate Commerce Commission, which enjoys so largely the confidence of the public and the Members of this House, has, as I understand, in a line of cases announced the same principle, holding that we are within our rights in providing separate facilities, provided that there is no practical discrimination.

Whenever it is charged that there is such a discrimination, the commission is open for complaint.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. HUMPHREYS. Mr. Chairman, I desire to submit a request for unanimous consent. I ask unanimous consent that all debate upon this amendment close now.

Mr. MOORE of Virginia. Just a minute further.

Mr. HUMPHREYS. I make the request that it close now.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent that all debate on this amendment close now. Is there objection?

Mr. SMITH of Illinois. Mr. Chairman, I object.

Mr. LAYTON. Then, Mr. Chairman, I move that all debate close now. Oh, very well. I withdraw the motion.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. MOORE of Virginia. I desire only a moment. I hope gentlemen on the other side will not think that I have any purpose to talk politics or party. If the gentleman from Delaware

[Mr. LAYTON] will pardon me for a minute, I am simply suggesting the legal aspects of this matter.

Mr. LAYTON. Mr. Chairman, will the gentleman now yield?

Mr. MOORE of Virginia. Yes.

Mr. LAYTON. Let us get rid of the legal aspects of the matter. Let us quit the business and get down to work on this bill. Let us have a vote.

Mr. MOORE of Virginia. The point I wish to emphasize is that the law is now ample for the protection of everybody in regard to this matter of separate station rooms, trains, and cars. There is no need for additional legislation, and I am glad that the distinguished chairman of this committee, who has measured up to the best legislative traditions in the manner in which he has presented his bill and conducted it through the House, has not seen proper to bring forward any proposition such as we are now discussing, and I earnestly hope that the House will do nothing to create further difficulties in the South—will not, as already suggested, add to existing troubles by creating a situation which the adoption of this amendment would bring about.

Mr. CRISP. Mr. Chairman, I move that all debate on this amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. MADDEN].

The question was taken; and on a division (demanded by Mr. SANDERS of Louisiana) there were—ayes 12, noes 142.

So the amendment was rejected.

Mr. SIMS. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. SIMS: Page 55, line 9, after the word "prescribe," insert a new section, to be known as "Sec. 405a."

"That section 4 of the act to regulate commerce, approved February 4, 1887, as amended by the act approved June 18, 1910, be amended so as to read as follows:

"Sec. 4. That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through route than the aggregate of the intermediate rates subject to the provisions of this act; but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive any greater compensation for a shorter as for a longer distance: *Provided, however,* That upon application to the Interstate Commerce Commission such common carrier may in special cases not due to or arising out of conditions of water competition, actual or potential, direct or indirect, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section: *Provided further,* That no rates or charges lawfully existing at the time of the passage of this amendatory act shall be required to be changed by reason of the provisions of this section prior to the expiration of six months after the passage of this act, nor in any case where application shall have been filed before the commission, in accordance with the provisions of this section, until a determination of such application by the commission.

"Whenever a carrier by railroad shall in competition with a water route or routes reduce the rates on the carriage of any species of freight to or from competitive points, it shall not be permitted to increase such rates unless after hearing by the Interstate Commerce Commission it shall be found that such proposed increase rests upon changed conditions other than the elimination of water competition."

Mr. McCLINTIC. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Tennessee yield to the gentleman from Oklahoma for the purpose of making a parliamentary inquiry?

Mr. SIMS. Not at present.

Mr. BARKLEY. Mr. Chairman, I reserve the point of order on the amendment.

Mr. MADDEN. Mr. Chairman, I make the point of order against the amendment, that it is not germane to the section to which it is offered.

The CHAIRMAN. The gentleman from Illinois makes the point of order that the amendment is not germane to the section to which it is offered.

Mr. SIMS. It is a new section. It is not offered to that section.

Mr. MADDEN. I maintain that it is not germane to the section that it follows.

The CHAIRMAN. The Chair will hear the gentleman from Illinois on the point of order.

Mr. MADDEN. It is neither germane to the section to which it follows nor to the section which follows it.

Mr. ESCH. Mr. Chairman, the amendment, if it is to be offered at all, should be by striking out section 406, which relates to the fourth section of the interstate commerce act, namely, the long-and-short-haul clause. The gentleman from Tennessee seeks practically to amend section 4 of the commerce act. Section 406 relates to that very same section, and all it does in the bill is to renumber the paragraphs.

The CHAIRMAN. The Chair will state that this amendment would not be germane to the section which it follows.

Mr. SIMS. As the former section dealt with section 403 and the next section deals with section 405, I thought it was proper to come in here.

Mr. ESCH. I would suggest that the gentleman strike out section 406 and offer to insert what he has had read, with a provision renumbering the paragraphs.

The CHAIRMAN. The Chair would state that the amendment offered by the gentleman from Tennessee seeks to amend section 4 of the commerce act. Section 4 of the commerce act is subject to amendment by reason of the proposed amendment in section 406 of the bill, and if the amendment of the gentleman from Tennessee is proper in other respects, it would be proper to be offered when the next section of the bill is read. It is not germane to section 405, and the Chair sustains the point of order.

Mr. SIMS. That is satisfactory to me.

Mr. McCLINTIC. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. McCLINTIC: Page 55, line 9, after the word "prescribe," insert:

"*Provided further,* That the commission is hereby given authority to require a carrier to maintain his present arrangement or to make new arrangements relative to the joint use of depots, upon such terms as shall be found by the commission to be just and reasonable. No carrier shall be allowed to discontinue the use of a depot in connection with another carrier until proper application has been made to the commission."

Mr. McCLINTIC. Mr. Chairman, I have offered this amendment with the hope that it will be acceptable to the chairman and to the members of the committee.

According to the present procedure now followed, where there are two or more railroads entering a town the Railroad Administration has required these railroads to use the same depot. Unless there is some language placed in this bill to make it clear and certain as to what procedure shall be followed in the event Government control is discontinued, then these different railroads may withdraw from the present arrangements which relate to the joint use of depots. I think there is a provision in the bill under consideration which may allow the commission to require railroads to maintain joint facilities; but if an amendment of the kind I have offered is not put into the bill, many of the railroads in the country will immediately withdraw from their present arrangements and make separate accommodations for the public, which will cause great inconvenience. The object of my amendment is to cause any railroad company before it withdraws from the present use of a union depot to make application to the commission and receive a favorable report before any action can be taken. If there is any one thing this bill should do it is to give to the traveling public as many conveniences as possible.

If my amendment goes into the bill, then a railroad company can not withdraw from any term until it has made the proper application to the commission having jurisdiction.

Mr. BLACK. Will the gentleman yield for a question?

Mr. McCLINTIC. I will be glad to yield.

Mr. BLACK. Prior to the Federal control, so far as I know, the Interstate Commerce Commission never did deal with depot facilities, and that is a matter of police regulation for the State commission. As far as I am concerned, I doubt the feasibility of turning over a jurisdiction like that to the Interstate Commerce Commission.

Mr. McCLINTIC. I am glad the gentleman from Texas has raised that point, for the reason that this bill practically does away with all the jurisdiction of the State corporation commission. Inasmuch as it does that, the commission here in Washington would have jurisdiction over this subject and the State commission would not. If this bill is enacted into law in its present form, I am of the opinion that every railroad company that desires to maintain a separate depot will immediately do so. If this should happen, the people living in any community desiring to have railroads maintain joint use of a depot will necessarily be compelled to send a delegation to Washington, which will cost thousands of dollars and at the same time bring about a great deal of delay. I am hoping this bill, if enacted into law, will carry a sufficient number of provisions to safeguard and give to the traveling public the kind of conveniences they are entitled to, and for this reason I have offered this amendment with the hope it would be adopted, so that when our people travel they will not be called on to go from one section of a city or one side of a town to another in order to make necessary railroad connections.

Some Members have stated on the floor that inasmuch as this bill carried with it a provision which will extend the guaranty period for an additional six months that this is a subsidy made by the Government to the railroads for the privilege of having operated them during the war. I can not see how any person could consistently say that the railroads were entitled to this kind of a gratuity. I am opposed to this provision, and I hope that before the House concludes its deliberations on this subject that this section will be stricken out. Others have said that this bill amply takes care of the railroad employees and the railroad owners, and that no provisions are contained in the bill in the interest of the public. I am rather inclined to think that these statements are correct; in fact, upon every occasion where an amendment is offered in the direct interest of the traveling public those in charge of the legislation immediately object to the amendment, and up to the present time no amendment has been accepted which will give to the people the consideration they are entitled to receive.

I am of the opinion that this bill practically emasculates State commissions. It is true that the Government found it necessary to take charge of the railroads, because the owners during the war threw up their hands and said they could not operate them in such a way as to furnish sufficient equipment to take care of the needs of the Nation during the war. This being the case, it gave the people of the United States the opportunity to observe Government control of railroads. Many Members of Congress were in favor of Government ownership and control. However, in favoring a program of this kind they overlooked the fact that the destruction of competition would at the same time destroy efficiency, and this, according to the way I view it, is responsible for the dissatisfaction that exists throughout the country with the way the Government is at the present time operating the railroads.

This legislation, if enacted into law in its present form, will destroy the effect of many State laws. It will destroy the jurisdiction that was formerly given to State commissions. It will allow a merger of many railroad lines. In fact, it is one of the most radical bills that has ever been presented to an intelligent body relating to this subject. When the Government took over the railroads an agreement was made whereby each company was guaranteed a profit based upon the showing the road had made during certain years. It seems to me that when the Government contract has been fulfilled that the correct thing to do is to turn the railroads back in the same condition they were received, pay off the obligation, and allow them to proceed without being compelled to guarantee a dividend for a number of months yet to come. I am of the opinion that it is not the intention of the framers of this legislation to allow State commissions to exercise the same jurisdiction they had in the past, and, inasmuch as the amendments which have had this for their purpose have been defeated, I am constrained to believe it would be wise policy on the part of the House of Representatives to defeat this legislation, as, according to its terms, it not only turns the railroads back, but gives them a subsidy and guarantees their earning power for a specified term in the future.

I am in favor of turning the railroads back to the owners at the earliest moment possible; however, I am not in favor of this legislation unless it can be amended so as to give the people certain rights and the State commissions certain jurisdiction over certain questions.

Mr. ESCH. Mr. Chairman, the matter which the gentleman from Oklahoma seeks to reach by his amendment lies almost wholly within the police power of the several States. There have been amendments offered to this bill seeking to preserve such police powers. The committee in framing the bill has

sought not to encroach upon such powers. The matters of depots and joint use of depots is practically in the jurisdiction of the State commissions, and all but one of the States have such commissions. In such small matters the detail should be left within the jurisdiction of the State authorities, who know the situation, know the conditions, and know how best to meet the needs. There is, however, a provision in this bill providing for the joint use of terminals.

Mr. McCLINTIC. Will the gentleman yield?

Mr. ESCH. But that power will be exercised, I have no doubt, mainly in connection with the terminals in the large cities and in the congested centers. Due to the prohibitive cost of land, it is necessary to get a greater use out of existing terminals by giving to some regulatory authority, like the Interstate Commerce Commission, the right to order the joint use of such terminals, but that that power should be exercised as to depots in small communities is not contemplated. That power should be left, as we leave it, to the regulatory bodies of the several States. I now yield to the gentleman from Oklahoma.

Mr. McCLINTIC. Does the gentleman think that the State commissions will have a sufficient amount of jurisdiction to handle a question of this kind?

Mr. ESCH. Most certainly. They do under the powers granted in my State, and I think it is true in many States. I do not know the situation in Oklahoma.

Mr. McCLINTIC. The gentleman does not feel that this bill takes away any of their jurisdiction?

Mr. ESCH. No.

Mr. McCLINTIC. Mr. Chairman, upon the statement of the chairman of the committee I will be glad to withdraw the amendment.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to withdraw his amendment. Is there objection?

Mr. LINTHICUM. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from Maryland objects.

Mr. LINTHICUM. Mr. Chairman, I move to strike out the last word. Mr. Chairman and gentlemen, I objected to the withdrawal of the amendment because I think it is a matter of great importance to the cities along the Atlantic seaboard and the cities in the Middle West. I have in mind especially the situation between the Baltimore & Ohio Railroad and the Pennsylvania Railroad entering the city of New York. We all know there has been many millions of dollars expended at the terminal in New York by the Pennsylvania Railroad Co. and that the expense of upkeep and the necessary overhead charges must be borne by the people traveling on the Pennsylvania Railroad unless other roads are admitted to this terminal.

Mr. BARKLEY. Will the gentleman yield?

Mr. LINTHICUM. Not at present. Since the Federal control the Baltimore & Ohio Railroad has been allowed to enter that terminal and to pay its proportion of upkeep and overhead charges and such additional expense as specified. It has been of the greatest convenience to the people along the line, all south of New York and far into the West. Instead of landing on the Jersey City side, they are now able to enter this great terminal in New York City. It is a matter of importance that the Baltimore & Ohio or any other railroad at this time should be able to use the terminal of the Pennsylvania Railroad in the city of New York, because it would be practically impossible now, from a financial standpoint, to get the land and to build the necessary tunnel under the river. If we maintain the present situation as established by the director of railroads allowing the other roads to enter that great terminal in the center of New York City, it will mean a great convenience to the traveling public, who in the final analysis are the ones who must maintain by their fares the heavy expense of the vast terminal properties of the railroad systems.

I do not think we should take any chance of this right being withdrawn. It would injure the convenience of the people along this whole section, who now have two roads by which they can enter the center of New York, whereas, if that right is withdrawn, there will be but one road. It doubles the convenience as it is now. It lessens the great expense to the Pennsylvania Railroad, and it is of inestimable benefit to all travelers, in that it gives them double facilities to enter the great metropolis of this country and obviates the inconvenience of the ferry. I therefore object, and I think the amendment ought to be adopted. We ought to safeguard the situation, if we can do it, at this time. This is not the time to take any chances with a situation which means so much to the people.

Mr. BARKLEY. The gentleman overlooks the fact that the present bill takes care of the situation by authorizing the joint use of terminals.

Mr. LINTHICUM. I recognize the fact that the bill makes it optional for the Interstate Commerce Commission to do it, but the amendment of the gentleman from Oklahoma [Mr. McClintic] provides that hearings may be had, and that the people interested may come before the Interstate Commerce Commission as to whether any public advantage is gained or lost by a change. It gives the citizens a chance to present their side of the question.

With the vast sum of money which has been expended by the Pennsylvania Railroad Co. in tunneling the river and erecting its magnificent station in the city of New York, all of which expense and maintenance naturally comes from the pockets of the people, it seems strange indeed that some action has not been demanded by the general public long before this by which other roads might enter this important terminal. It has proved itself of inestimable advantage to persons desiring to enter New York upon the Baltimore & Ohio Railroad. It has given twice the facility to the traveling public, and I do not believe it has injured the Pennsylvania Railroad revenue to any appreciable extent. Certainly, if we can judge by the traffic of that road, it has about all the business it can well attend to. The citizens of this country have come to realize that no matter through what system a railroad is built or a great terminal constructed, the final payment and continual expense rests upon the shoulders of those who travel and of all the other people by virtue of freight rates for the necessities of life and the comforts, convenience, and success of the entire citizenship of the land.

Vast sums of money have been expended in this country not alone in duplicating terminal facilities, depots, and stations in various towns and cities of the land but in constructing parallel lines between certain points. I am glad this matter of construction of new lines has been left largely to the Interstate Commerce Commission. It has often occurred that the construction of an additional line which was unnecessary has rather injured the public than benefited it, because it results often in two weak and inefficient lines rather than one strong line. It places the burden upon the public to maintain two lines, with all the duplication of officials, employees, stations, and other adjuncts and necessities of a railroad system, instead of one.

Federal control became a necessity owing to the war. It has, like all war-time activities, resulted in a great burden to the people, but many things have grown out of the situation and out of this control from which lessons for the future can be learned and the defects of the old system be remedied. The railroad systems of the country constitute the very life-blood of the Nation; they are the trade arteries of the land; and the greater ease and facility by which they are operated, the satisfaction and prosperity of their employees, and their financial soundness means prosperity to the entire country.

It is vital to the public that this situation obtain; that we once more enter upon the peaceful situation under which these roads were formerly managed, and at the same time eliminate those features of the old system which were detrimental not alone to the roads themselves but to the general public as well. The taking over of the roads enabled the Government to perform a great work in the winning of the war; the railroads and their management were vital to success. In this, however, the railroads have not fared well, and their stockholders—not all great financiers, but often widows, orphans, the aged, and people of moderate means—are interested in this important legislation.

It is highly essential, therefore, that the Government, dealing with these great properties owned by private individuals and corporations, should be just in turning them back, and should have a care that they again may be operated successfully in the interests of the people and of the owners of the railroads.

The CHAIRMAN. The time of the gentleman has expired. Mr. LINTHICUM. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the Record.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. CANDLER. Mr. Chairman, I think the provision in the bill in reference to terminals, to which attention has been called by the gentleman from Kentucky [Mr. Barkley], will cover the situation to which attention has been called by the gentleman from Maryland [Mr. LINTHICUM], and hence there will be no necessity for this amendment so far as that proposition is concerned. I think the principal criticism with reference to matters of this kind in this bill is that it encroaches too much upon the jurisdiction of the State commissions of the several States. I am in favor of returning these railroads to the owners. I am opposed to Government ownership. I favor reasonable Government regulation. Other criticism of the bill, it seems to me, is

that while it proposes to return the railroads to the owners, nevertheless it retains in the Government such a full and complete control as almost amounts to Government ownership. While under the bill it is proposed to return the railroads to the owners, it provides that the Government shall almost completely control their operation, as well as provide their finances. When the railroads are returned to the owners, the owners should be permitted to run them, subject only to State and Federal control to the extent that is necessary to protect the rights of the public and secure the people good service at reasonable rates, and then the railroads, having the right to run and manage their own business, should finance it and pay their own expenses. I want the States to exercise at least some of their rights in reference to these matters, and I want the State railroad commissions to have the jurisdiction which they exercised and the powers they possessed prior to the time when these railroads went under Government control. I want them placed where they were at that time as to commerce within the States, of course, with such control and regulation as to interstate commerce by the Government as will secure the service interstate to which the people are entitled. I want the powers of the State commissions and the powers of the Interstate Commerce Commission exercised together, neither encroaching on the rights or powers of the other, so as to give to the people the best possible service. I do not believe that all of the details should be placed in the hands or under the control of the great Interstate Commerce Commission at Washington, more than a thousand miles, and sometimes 3,000 miles, away from the people who are interested in the local conditions, but that those conditions should be left to the localities in which they exist, to be controlled by the State commissions, so that the people will have a place to which they may go within the confines of their own States and secure relief without coming the great distance which would be required, and going to the expense which would be necessary, to present their cases to the Interstate Commerce Commission in the city of Washington. The best government is the nearest government to the people themselves and that government which gives the people the opportunity, without unnecessary expense and hardship, to secure the relief to which they are entitled. And therefore I am in favor of bringing the supervision as close as possible to the local conditions, in conjunction with the great governmental powers which should be exercised by the Federal Government, in order that all rights may be preserved. [Applause.]

I remember a few years ago I had some small matters for constituents in my district which they were unable to attend to because they were not of sufficient importance to justify them to go to the expense of coming to the city of Washington in order to present them to the Interstate Commerce Commission. They sent them to me and I presented them to the commission for them, and I know that it was months before I could get any adjustment of the situation or could get them the relief to which they were entitled and which I finally secured for them. But it took nearly or about a year in order to accomplish what they desired. If it had been left at home, under the jurisdiction of the State commission, it could have been secured possibly within a month. We have a very efficient commission in Mississippi. In my own city of Corinth, Miss., resides one of the members of the Railroad Commission of the State of Mississippi, a very efficient and most faithful and energetic commissioner, Hon. W. B. Wilson, who on account of his faithful service was only recently reelected to a third term of four years. When anything requiring attention is brought to his knowledge he goes himself anywhere in his district, or in the State for that matter, whenever it is necessary for him to do so, and gives his personal attention to local conditions, and sees with his own eyes and finds out by his own investigation what is necessary, and then brings it to the attention of the State commission when it meets in the city of Jackson and secures the relief to which the people are entitled if possible to do so. That is the way to attend to business and serve the people and secure the best results. A member of a State commission or the commission itself can do that. The Interstate Commerce Commission can not and, if it could, would not do that kind of service. Therefore, my friends, we should be very cautious in vesting all these powers in this great interstate commission at Washington, because of the difficulties that arise in bringing matters before them, the expense incident thereto, and the long delay which generally occurs before action can be secured. I believe in the Interstate Commerce Commission governing interstate matters, but I do not want to give them all the power. I want some of it reserved to the States. [Applause.] There are other features of this bill which I fear go too far and are more favorable to the railroad companies than to the people. I want to be and intend to be absolutely fair and just to the railroads,

but I want also, above everything else, to be fair and just to the people I represent, and who have trusted me so long to look after their welfare and to protect their interests in this great House of Representatives. For instance, I do not like the provision in this bill making a guaranty to the railroad companies of their revenues for the first six months of private ownership. Why should the Government guarantee the private business of railroads any more than the private business of other citizens of the Republic engaged in laudable and legitimate enterprises? [Applause.] In 1914 when our people were in great distress in the South by reason of business conditions brought on by the World War my constituents appealed to me and I earnestly appealed to the Government, but no guaranty, loan, or relief of any kind could be secured. We bowed submissively, bore our burdens and losses bravely, rallied patriotically to every call of our country, and pressed on in the faithful discharge of every duty devolving upon us as American citizens. We do not murmur now. Treat the railroads fair and just but not better than the treatment accorded other citizens. Be just, fair, and equitable to the railroads, but at the same time do not forget the people. Be just, fair, and equitable likewise to them. [Applause.] There are many other provisions of this bill I would like to discuss, but my limited time forbids. I voted for the Denison amendment requiring a settlement and adjustment of the accounts between the railroads and the Government, involving millions of dollars. I am glad it was adopted and is now in the bill. I wish the bill could be amended in quite a number of its other provisions. If it was it would be made more in the interest of the people, and therefore a much better bill for all the purposes for which its legislation is intended. I hope its provisions, before the vote on its final passage is taken, may be such as to convince me that it will contribute to the prosperity of this Republic and not injure the best interests or welfare of our people. If such are its provisions, I will cheerfully vote for the bill; otherwise I can not. [Applause.]

Mr. EVANS of Nevada. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman and gentlemen, this Congress desires the rails restored to their real owners, great numbers of whom are small stockholders, who look hopefully to you. It becomes your plain duty to rescue those grand public utilities from the hands which by selfish action have brought them to the very brink of bankruptcy. Evidence accumulates proving that previous controllers of railroads sought to disgust the public with Government operation.

It is plain why governmental operation failed. Failure was desired, planned, and executed. The success or failure of any and all sound business ventures depends upon the men intrusted with their operation; but no business was ever known to succeed when men in charge planned failure. To criticize without a remedy is carping, but where a remedy is offered it becomes constructive criticism. Governmental operation of railroads failed because plans prompted by jealousy and self-interest succeeded. Governmental operation is entitled to a square deal and a fair trial. The remedy is as plain as the disorder.

American Expeditionary Forces abroad possessed the keenest, most completely disciplined brain power in all the world. Those men in the prime of youth offered their lives to this Government. They are more highly and better qualified to successfully operate the railroads than any other men. Their Americanism stood the test while old operators failed the trust.

The following method of selection should meet their approval: That the governor of each State appoint five enlisted men from his State, from which number will be selected a president, auditor, secretary, 7 directors, and 230 traveling inspectors, affording them full power, authority, and credit with which to maintain and operate the railroads until those railroads are upon a sound financial basis and out of debt to this Government, always subject to the will and direction of Congress.

You must not loan Government money nor Government credit nor come to the aid of any man or men who gave divided or selfish support during our war.

You must not charge off to profit and loss billions of dollars when we have the men with capacity to restore the railroads to their proper place with their actual owners. This Nation made success of every undertaking; the railroads can be made our greatest economic industrial achievement.

The roads were rendered weak with numerous drains, and when the strain came were abandoned by men who saw no quick returns. Do not desert your outfit in the middle of a mudhole; bring it to a safe place.

One year ago our American Expeditionary Forces were finishing a job ten times bigger than the railroad problem. The keen

brains of those young men quickly found a way to smash 40 years of intense military preparation. Now, your discredited system of railroad operation must be replaced by new and modern methods, furnished by energetic and efficient young men. Why not invite them to restore those grand properties, which are clearly public utilities, to where they rightfully belong, with the people? This bill proposes to be responsible for the roads for six months. To the very class who permitted this condition needlessly to occur, the Government is to guarantee against loss from their inefficient and dishonest conduct. We must proceed to operate those railroads belonging to all our people, with cooperation from everyone, for the general good of all our Nation. American Expeditionary Forces will prove that peace hath her victories no less renowned than war.

Let every man stand by our Government aiding success in restoring the rails to their real owners free from debt. The ignorance in partisanship goes to extremes, but always with loyalty to the Government. But the ignorance of selfishness has no party except personal greed.

Business is conducted upon 10 per cent cash and 90 per cent confidence. We have the credit, brains, inventive genius, and industry. All we need now for those who point with pride to governmental temporary failure is to be American enough to say, Stand by your Nation in this hour of need. Maintain credit and confidence by returning the rails free from the stain of debt. Our promise to pay is guaranteed by every foot of ground, by every ship that floats the Stars and Stripes, by every home with a rosebush in the yard, and hearts that beat true for America. This committee has worked diligently and faithfully. In my judgment they were working upon a worn-out and out-of-date foundation, but whatever the Whole Committee determines will have my support for final success.

Mr. ESCH. Mr. Chairman, I move that all debate on this amendment close in five minutes.

The CHAIRMAN. The gentleman from Wisconsin moves that all debate on the pending amendment close in five minutes.

The motion was agreed to.

The CHAIRMAN. The gentleman from Ohio [Mr. EMERSON] is recognized.

Mr. EMERSON. Mr. Chairman and gentlemen of the committee, the President having stated that he was going to return the railroads to their owners by the first of the coming year means that Congress has nothing to do but see that the roads are returned to the owners in such condition that the owners will have suffered no loss by reason of Government control.

It is perfectly apparent that Government control has been expensive, inefficient, and unsatisfactory. Congress took these roads over under the war powers, and they should return them with as little entanglement as possible.

There is a great surprise in store for the public when they find that after the return of the roads to the owners the high rates established will be continued and an increase in rates invited by this bill.

This is the most important bill that has been presented to Congress at this session. It should have been reported at this session and then made the special order for the first day of the December session.

I submit that it has been unfair to the membership of this House and very unfair to the people of this country to have this bill presented late Saturday night and brought up for consideration the following Tuesday. A copy of this bill mailed to the far West will not reach its destination until this bill passes this House. Too much speed and not enough conservatism. We are framing legislation for the railroads of this country for half a century to come and we should take this bill up and give it much thought and consideration, and not attempt to pass it within two weeks of the next session of Congress. The country has had no opportunity to study this bill and find out what is in it, and such an opportunity should be given by putting this bill over until next session.

This bill is incongruous, uncertain, doubtful of construction, unfair to owners and to the employees and to the public.

I agree with my colleague, Mr. MOONEY, that the certificate of necessity clause in this bill should be stricken out. It is unjustifiable, and prevents competition and discourages initiative. This bill does not get rid of Government ownership, as we guarantee the earnings for a certain period of time, but do not guarantee the wages of the employees during that period. It should be amended in many ways and unless so amended I am inclined to vote against the bill in its present form.

As a member of the Committee on Rivers and Harbors I am much concerned with the question of encouraging navigation upon our lakes and rivers. This bill discourages navigation and places the navigation on the lakes and rivers of this

country under the control of the railroads. It discourages boat lines competing with railroad lines and should be radically amended along these lines.

This bill would destroy the competitive rates enjoyed in my part of the country by reason of steamboat lines competing with railroad lines. This bill is unsatisfactory to the membership of this House, and even the members of the committee who reported this bill seem to disagree, for I observe that many of the amendments come from the members of the committee. Too much power is vested in the Interstate Commerce Commission in this bill. The committee tried to settle all the ills of transportation in this bill and such a thing is impossible in a bill returning the roads to the owners. The operation of the roads by the Government was a failure, and the less legislating we do in this bill, and the sooner we return the roads and pay the bill the better it will be for the country.

Unless this bill is radically amended and certain sections stricken out I will vote to recommit the bill to the committee, and will make such a motion if I have an opportunity.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield for a question?

Mr. EMERSON. Yes.

Mr. KNUTSON. The gentleman says that the bill has been changed in several details. Will the gentleman tell the House just what changes have been made?

Mr. EMERSON. I made several suggestions of changes that I thought should be made, and if I had time I would go more in detail. Evidently the gentleman has not been here, listening, when I made the suggestions as to what changes should be made. [Laughter.] I believe this bill, if enacted into law, will discourage transportation upon the lakes and rivers of this country. It will destroy initiative. It will finally result in the railroads owning and controlling the water transportation. And coming, as I do, from the city of Cleveland, I am vitally interested in that proposition. I believe this bill should be recommitted. I think it should have been reported and given standing at the beginning of next session and made the first order of business. I believe it should be taken up on the 1st day of December when we convene in regular session. The Senate is now considering the peace treaty, and will not take this matter up at this session. We should give the people of the country an opportunity to study the question. The membership of the House—

Mr. WINSLOW. Mr. Chairman, will the gentleman yield?

Mr. EMERSON. I really have not the time.

The CHAIRMAN. The gentleman declines to yield.

Mr. EMERSON. The members of the committee themselves seem to so disagree, as most of the amendments that have been suggested to the bill have been offered by members of the committee. Therefore I feel at this time that the bill should be recommitted to the committee with the instructions I have suggested.

The CHAIRMAN. The time of the gentleman from Ohio has expired. All time on the amendment has expired.

Mr. SIMS. Mr. Chairman, I move to strike out the last five words.

The CHAIRMAN. All time has been limited by vote of the committee.

Mr. EMERSON. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oklahoma [Mr. McClintic].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

Sec. 406. Section 4 of the commerce act is hereby amended by inserting "(1)" after the section number at the beginning of the first paragraph and "(2)" at the beginning of the second paragraph.

Mr. SIMS. Mr. Chairman, I move to strike out section 406, and substitute therefor the amendment which I sent to the Clerk's desk a few moments ago.

Mr. ESCH. Is that the same one that has been read?

Mr. SIMS. The same one.

Mr. ESCH. Can we not make an arrangement as to the time of debate?

Mr. SIMS. Let the amendment first be reported.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Tennessee.

The Clerk read as follows:

Mr. SIMS moves to amend, page 55, by striking out all of section 406 and inserting in lieu thereof the following—

Mr. SNYDER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. It is not in order during the reading of the amendment.

Mr. SNYDER. If the amendment has been read once, what is the use in reading it again?

The CHAIRMAN. The Clerk will proceed with the reading of the amendment.

Mr. SNYDER. I make the point of order that the amendment has already been read and it is not necessary to read it over again.

The CHAIRMAN. The point of order is overruled. The amendment was read and now is withdrawn. Now, it has been submitted again.

Mr. SNYDER. I ask unanimous consent, Mr. Chairman, that we proceed without reading the amendment again; that it be considered as read.

Mr. WINSLOW. I object.

The CHAIRMAN. Objection is made. The Clerk will report the amendment.

The Clerk read as follows:

Mr. SIMS moves to amend, page 55, by striking out all of section 406 and inserting in lieu thereof the following:

"That section 4 of the act to regulate commerce, approved February 4, 1887, as amended by the act approved June 18, 1910, be amended so as to read as follows:

"Sec. 4. That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through route than the aggregate of the intermediate rates subject to the provisions of this act; but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive a great compensation for a shorter as for a longer distance: *Provided, however,* That upon application to the Interstate Commerce Commission such common carrier may in special cases not due to or arising out of conditions of water competition, actual or potential, direct or indirect, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property; and the commission may from time to time prescribe the extent to which such designated common carrier may be relieved from the operation of this section: *Provided further,* That no rates or charges lawfully existing at the time of the passage of this amendatory act shall be required to be changed by reason of the provisions of this section prior to the expiration of six months after the passage of this act, nor in any case where application shall have been filed before the commission, in accordance with the provisions of this section, until a determination of such application by the commission.

"Whenever a carrier by railroad shall in competition with a water route or routes reduce the rates on the carriage of any species of freight to or from competitive points, it shall not be permitted to increase such rates unless after hearing by the Interstate Commerce Commission it shall be found that such proposed increase rests upon changed conditions other than the elimination of water competition."

Mr. ESCH. Mr. Chairman, I ask that the debate on this proposed amendment to section 406 be limited to 30 minutes.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that the debate on section 406 be limited to 30 minutes. Is there objection?

Mr. FRENCH. I reserve the right to object, Mr. Chairman.

Mr. HAYDEN. Mr. Chairman, I have a substitute for the amendment offered by the gentleman from Tennessee [Mr. Sims], which I would like to offer and debate. Will that be permitted in that time? It is rather an important question, and I think we ought to have more time.

Mr. FRENCH. Reserving the right to object, Mr. Chairman, this amendment is one of the most important that has been presented in connection with that bill. I myself would like to have as much time as the gentleman has suggested for the entire discussion. I have spared the House from discussing many features of the bill, and I think we ought to have two or three hours' debate on this section.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin [Mr. Esch]?

Mr. FRENCH. I object, unless we can have some understanding.

Mr. ESCH. I move that the debate on this section be closed—

The CHAIRMAN. A motion to close debate will not now be in order. The gentleman from Tennessee [Mr. Sims] is recognized for five minutes.

Mr. SIMS. Mr. Chairman, I will ask the indulgence of the House on account of the condition of my voice.

The CHAIRMAN. The Chair would admonish the committee that in view of the fact that the gentleman from Tennessee has a sore throat it will be necessary for the Members to maintain order so that they may hear the discussion that he intends to indulge in on this measure. The committee will please be in order. The gentleman from Tennessee is recognized.

Mr. SIMS. Mr. Chairman and gentlemen of the committee, for years and years before the act of 1910 was enacted there had been much complaint about the construction and application of the law as it then existed. As it existed a lesser charge for a longer haul than a shorter haul over the same road in the same

direction had been permitted when certain conditions existed, but the exception got to be the rule.

The fourth section as it now appears in the commerce act forbade any carrier to charge more for a longer haul than for a shorter haul over the same railroad going in the same direction. That was and is the general provisions of the law, and the plain intent of Congress and all the rest is exceptional and conditional. Exceptions should not be construed liberally, but the general law should be so construed in order to effect the purpose intended.

There is no doubt that the purpose was to prevent railroads from absolutely destroying interior points on their lines by giving a discriminating lower rate to a more distant point on the same road where competition existed either by rail or water or by both. Such a practice by the railroads had forced manufacturers and business men who wanted to get the best rates to forsake the noncompeting interior points and go to a point where there was as much railroad competition as possible and as much water competition as possible, in order to get such rates as such competition brought about.

Now the proviso reads:

That upon application to the Interstate Commerce Commission such common carrier may in special cases not due to or arising out of conditions of water competition, actual or potential, direct or indirect, after investigation, be authorized by the commission to charge less for longer than for shorter distances for the transportation of passengers or property.

Now, the case must be a special one. But there is no limitation whatever, no prescription in the act, as to what constitutes a special case. There is nothing in the act that limits the discretion of the commission or acts as a guidance in determining what is or is not a special case and is so treated. The result has been that now the exception is getting to be the general rule, as it was before the act of 1910, and every city having water transportation wants it not for actual transportation but to use as a club to reduce rail rates to a competitive water transportation level, and the commission has in a number of cases permitted such low rates upon the request of the railroads as to prevent the development of water transportation where it did not exist, and to render it unprofitable and destructive where it did exist. Prior to Government control of railroads there was not even a through boat from Memphis to New Orleans on the Mississippi River. The great Mississippi River, in the best part of it, where millions have been spent and many millions hereafter ought to be spent in its improvement, was without a through steamboat service between two of the largest cities on that part of the river. There are two railroads from Memphis to New Orleans, one on each side of the river, and they had made rates so low that nobody would put a dollar into a through boat to compete with them.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. SIMS. I should like to have five minutes more.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that he may proceed for five minutes. Is there objection?

Mr. ESCH. I move that debate upon section 406 and all amendments thereto be closed in one hour, and pending that motion I ask unanimous consent that the gentleman from Tennessee [Mr. SIMS] control one-half that time and the gentleman from Michigan [Mr. HAMILTON] the other half.

The CHAIRMAN. The gentleman from Wisconsin moves that all debate on section 406 and amendments thereto be closed in one hour.

Mr. FRENCH. I move an amendment to that, to fix the time at two hours.

The CHAIRMAN. The gentleman from Idaho moves to amend by making it two hours. The question is on the amendment.

The question being taken, the amendment was rejected.

The CHAIRMAN. The question is on the motion of the gentleman from Wisconsin [Mr. ESCH], that debate on section 406 and amendments thereto close in one hour.

The motion was agreed to.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that one-half the time be controlled by the gentleman from Tennessee [Mr. SIMS] and one-half by the gentleman from Michigan [Mr. HAMILTON]. Is there objection?

Mr. FRENCH. Mr. Chairman, reserving the right to object, I would like to have some time to discuss this proposition.

Mr. SIMS. The gentleman shall have it if I control it.

Mr. FRENCH. I should like to have as much time as has been given for the debate, but I can not get that. I would like to have 15 minutes. This question is more vital to my people than anything else in this bill. I have not taken any time on

the general debate. I was not a member of the committee and could not get any. Other Members have had plenty of time to discuss various features of the bill, but I have had no time at all. I should like to have at least 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. FRENCH. Reserving the right to object—

SEVERAL MEMBERS. Regular order!

The CHAIRMAN. The regular order is demanded.

Mr. SMALL. Reserving the right to object—

The CHAIRMAN. The regular order has been demanded.

The question is, Is there objection?

Mr. SMALL. I object, Mr. Chairman.

The CHAIRMAN. The gentleman from North Carolina objects. The gentleman from Tennessee is recognized for five additional minutes, and the committee will be in order.

Mr. HUMPHREYS. I should like to ask the gentleman just one question for information.

The CHAIRMAN. Does the gentleman yield?

Mr. SIMS. Yes.

Mr. HUMPHREYS. In line 9, on the first page of the gentleman's amendment, I see the words—

Transportation of passengers or of like kind of property.

Mr. SIMS. That is in the general law. That is not my amendment. I have only copied the general law in those words.

Mr. HUMPHREYS. What kind of property does it mean?

Mr. SIMS. That is in the general law and I do not want to discuss that. I have only amended this section by adding to it a provision eliminating water competition as constituting any excuse or grounds for treating a case as special. All the rest of it is existing law.

Mr. JONES of Texas. Does not the gentleman by his proviso practically kill the effect of the amendment?

Mr. SIMS. I simply add qualifying words to the proviso. The proviso is in the general law now.

Mr. HAMILTON. Before the gentleman proceeds, may I ask the Chair what the arrangement was in relation to the division of time?

The CHAIRMAN. Does the gentleman from Tennessee yield to the gentleman from Michigan?

Mr. SIMS. I will yield if it is not taken out of my time.

The CHAIRMAN. Necessarily it will have to be taken out of the gentleman's time.

Mr. HAMILTON. Then I will have to retire. [Laughter.]

Mr. SIMS. Now, Mr. Chairman, natural conditions which inherently give to a section or locality water competition should and does give that locality the benefit of water competition. Where there is a water route serving the same locality that is served by a rail route, those who are at that point have their choice, and if the water transportation is satisfactory and cheaper than the rail transportation then let them use the water transportation. Do not permit a railroad company or authorize any commission on earth to permit a railroad company to destroy the value of Government appropriations expended to build the Panama Canal, to clean out the Mississippi River, to build millions of dollars' worth of water-transportation construction, to build boats, to deepen rivers and harbors, in order simply that the people having the benefit of water service shall by reason of having it get a rate upon the railroads that actually prevents the use of the water-transportation facilities that the people paid for from taxes out of their own pockets. There is no use in further improving rivers and lakes and harbors; there is no use in further building Government canals if privately owned corporations operated for profit are permitted to reduce their rates fixed by law as just and reasonable to a point so low as to make it more desirable to use the rail facilities than the river, lake, or ocean. Four hundred and twenty-five million dollars, taxes of the people, have been paid out to build the Panama Canal in order that shipping should not have to sail around South America to serve the west and east coasts of the United States, and we put an almost ridiculously low charge for using the canal, not sufficient so far to pay the operating expenses and maintenance of the canal.

And then the transcontinental railroads have been permitted to reduce their rates to such an extent that it diverts millions of dollars' worth of transportation from that canal, and turns it over to the transcontinental railroads, while the poor taxpayer is bled not only to construct the canal but to continue to maintain it, while the profiteering, profit-seeking, privately-owned railroads come in and, with the intent and in order to destroy competition by way of the canal, divert the traffic from the canal that would inure to the benefit of the Government by collection of tolls, and are permitted to make rates that take

the traffic away from the canal and render it useless and worthless to that extent.

By such a permission on the part of the commission they have empowered the railroads to rob the taxpayers who have built and who must maintain the canal of the tolls they are justly entitled to receive and which was promised to them when the law was passed authorizing the construction of the canal at public expense. This is a beautiful object lesson as to what has been permitted and practiced, and will be permitted under private ownership and operation with public regulation. This kind of private ownership and public regulation is in effect taking from those who have not and giving to those who have. Those who are located where water transportation is available can use it, which gives them the benefit to the fullest extent of their natural advantages. How is it possible that any regulating body can justify its action in permitting an artificial carrier to destroy the natural advantages of a locality or render such advantages unprofitable by permitting the artificial carrier to reduce its rates so low as to be merely sufficient to cover out-of-pocket cost of such service?

Mr. SNYDER. Will the gentleman yield?

Mr. SIMS. I have not time. I do not know which way the gentleman leans.

Mr. SNYDER. It does not make any difference which way I lean. You are taking the position that the privately owned railroads will be the only people benefited by the reduction in railroad rates. Will not the shipper and the public be benefited?

Mr. SIMS. No; the people are not benefited by reducing the railroad rates who have water transportation and use it. By this nefarious practice you force every interior point to pay more than it ought to pay because the income of the railroads should be based on reasonable rates and reasonable rates apply to the little places as well as to the big ones, and if the rates to interior points are not more than reasonable then the less rates to the larger and more distant points will be unreasonably low. It is robbery, it is morally unjust, to do what they are doing and have been doing for years by permission of the regulating body.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. JOHNSON of Washington. Mr. Chairman, I ask unanimous consent that he have five minutes more.

The CHAIRMAN. The time has been fixed and limited.

Mr. SIMS. But the gentleman from Washington asks unanimous consent that I shall have five minutes more of that time that was so limited.

The CHAIRMAN. Does the gentleman from Washington ask that the gentleman shall have five minutes more?

Mr. JOHNSON of Washington. I do.

The CHAIRMAN. The gentleman from Washington asks unanimous consent that the time of the gentleman from Tennessee be extended five minutes. Is there objection?

There was no objection.

Mr. JOHNSON of Washington. How does the gentleman think that a railroad doing a great interstate commerce business can do any business if it has to pick up freight from every little interior point and carry it to another interior point at the same rate based on the aggregate for all the towns that fall to be on the water?

Mr. SIMS. They do not have to pick it up. We do not ask them to reduce rates to the interior points. All we ask is the same rate that they give to the terminal or more distant point when they make a longer haul for the same rate. For instance, here is a town 500 miles this side of San Francisco. We do not ask them to give a rate less because of the shorter haul, but we do ask them not to charge more than they do for the more distant point of San Francisco.

Mr. JOHNSON of Washington. In other words, the town wants to take itself up and put itself on the water.

Mr. SIMS. Every manufacturing industry that depends on transportation is compelled to desert the interior towns and go to the water terminal.

Now, gentlemen, these railroads came here and asked for increased rates and show that it requires a certain amount on all the business that they do in order to make their rates pay their operating expenses and a fair return on their property. The Interstate Commerce Commission provides that the rates shall be what they ask for, but no more. Afterwards the same railroads, for the purpose of securing a substantial part of their business fix rates that give no profit at all, and the commission says that it is all right if they do not raise the rates on the interior points.

I am only asking that the commission shall not regard water competition as furnishing any excuse for reducing rail rates at and for such water competing points below what is charged interior points having no water competition.

And yet these same railroads come and ask us to provide by statute rates that will pay interest on capital, all expenses of operation, taxes and maintenance, and a fair return on the investment, that only makes a profit on a part of the service that they render. Gentlemen, it should not be done. It is the grossest favoritism, because, while it builds up artificially and unjustly some points, at the same time it destroys and prevents the growth of interior points that have to pay all the profit on the investment in the railroad company, while the favored point gets its service at the mere out-of-pocket cost to the carrier.

I have had letters from river-competing points in my State opposing this amendment of mine. I am not asking the amendment to apply to railroads as between themselves. I am only asking to take away the power of the commission to say to a railroad that they shall be allowed to reduce the rate to the farther point over and above intermediate points, when the farther point does not have to have it and will not be hurt by not having it. Anything else is eternally and outrageously wrong, and it can not and ought not to survive, and there will never be peace in transportation in this country as long as we allow the railroad companies to go before the commission and by it be permitted to reduce rates to points that have water service in order to prevent its use by those to whom it is available without at the same time being compelled to reduce rates on interior points to the same level.

Take a carload of oranges shipped from Los Angeles to Denver at \$1.15 a hundred. This rate is fixed as just and reasonable and as affording not more than a fair return for the service rendered. But if the carload of oranges is shipped from Los Angeles through Denver to Boston or New York, it goes at the same rate, no more and no less, although the haul is about three times as long. If the rate to Denver is fair, just, and reasonable, how can the same rate to Boston—three times as far—be a fair, just, and reasonable rate? But if the rate to Boston is just and reasonable, the rate to Denver is nothing less than robbery permitted by a regulating body. The whole country is honey-combed with just such instances as I have cited, but my time will not permit me to point them out.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. FRENCH. Mr. Chairman, the time at my disposal is hardly enough to make a beginning on this proposition. I am for the Sims amendment, providing the Hayden amendment, which is to be presented, shall not be adopted. The Hayden amendment is the Poindexter bill. Its provisions have been incorporated in the measure reported by the Senate committee to the Senate. First of all I am for the Hayden amendment. Now what is the proposition? In a word we are trying to prevent the charging of greater freight rates for a shorter distance than for a longer when the freight is moving in the same direction and over the same line and when the shorter distance is included within the longer.

Gentlemen, this is not a new story. It is a story that goes back many years, but it is working an enormous hardship upon a section of country that has a right to expect better consideration from the Government.

Long ago the fight was begun against the discrimination in rate charges against the intermountain country in favor of the people living on the Pacific coast. The first law that was passed by Congress that seemed to afford the promise of relief was passed in 1887, but benefits of this law continued only a year or so and under provisions that seemed to justify exceptions discriminations were shortly begun and have continued practically ever since.

In 1910, when further legislation was obtained on this subject, we thought that we had obtained something of relief. Section 4 of the interstate-commerce act has to do with the long and short haul. It provides that a common carrier may not charge in interstate commerce more for hauling goods a shorter distance than it may charge for hauling it the longer distance, the charges being for service in hauling cars going the same direction and the shorter distance being part of the longer. There was a provision, however, in this law giving to the Interstate Commerce Commission the power to make exceptions when it seemed that by reason of water competition an injustice would be imposed upon the common carrier. It was not supposed, however, that the exception would come to constitute the dominant and controlling feature of the section. It was supposed that the proviso would take care of the unusual, of the extreme cases, but just the opposite has occurred. The proviso has come to be the controlling element of the paragraph and the part of the paragraph which denies the common carrier the right to charge more for the shorter distance than for the longer when the shorter is included within the longer distance has become the dominant feature of the law.

What is the reason for this discrimination? Why, the excuse is because of the water competition in favor of the coast points. When we became involved in the World War the ships that had been carrying commerce between the East and the West through the Panama Canal were largely drawn off from this service, and the very reason that had been used as the excuse for inequality in freight rates no longer existed.

On June 30, 1917, an order was issued wiping out discrimination in part. A little bit later this order was suspended, but on January 21, 1918, it was restored, effective March 15, 1918, and it has obtained until this time, but this does not mean that it will continue. On the other hand, it is a mere temporary provision calculated to meet war conditions, and will disappear, of course, with the termination of the war and the assumption of normal conditions. More than this, the relief granted since March 15, 1918, does not apply to eastbound traffic.

Gentlemen, I have asked that this map be placed before you, so that you may see graphically the picture of that which I am telling as well as hear the argument that I am making. My illustrations have reference to conditions in the Northwest, but the same principle applies when you consider all of this vast country extending from the Dominion of Canada to Mexico. A few hundred miles removed from the Pacific Ocean and beginning a few hundred miles west of the Mississippi River, in that vast region of country, are 13,000,000 people. In this strip of country along the Pacific are 2,000,000 people. Yet on the basis of the discriminatory charges that are being made you are asking these 13,000,000 people to pay enormously higher transportation charges than you are asking that the people of the Pacific coast pay, notwithstanding the fact that the people on the Pacific coast are receiving vastly more service than is rendered to the people in this great intermountain region.

Mr. Chairman, in 1917 a steel bridge was built at Priest River, in northern Idaho, that required in its construction 85½ tons of steel. This steel was shipped from Jacksonville, Ill., and the freight charges amounted to \$1,547.41.

Now, if instead of building the bridge at Priest River, Idaho, it had been built across some river in western Washington, the steel being purchased at the same place, being shipped over the same line that it was shipped over to Priest River on west a distance of 400 miles, the county in western Washington building the bridge would have been asked to pay, not \$1,547.41 but \$966.38. In other words, the freight charges would have been \$600 less than they were to the Idaho people, although the distance carried was some 400 miles farther.

A few years ago there was completed in Idaho by the Government for the settlers under the Boise-Payette irrigation project, and for which they will have to pay, what is known as the Arrowrock Dam. There was used in the construction of that dam 16,000 tons of cement. This cement was shipped from Kansas City, at 55 cents per hundred. Now, the rate from Kansas City to the Pacific coast points was 40 cents per hundred, or, in other words, 15 cents per hundred less than to Boise, the point from which the cement was hauled to Arrowrock. At 15 cents per hundred, which represented merely the difference between the price that was charged to our people over what would have been charged to the people of the coast, the settlers of the Boise-Payette project were asked to pay \$48,000 more than they would have had to pay had the returns been equal to the rate charged to the Pacific coast.

A city in Idaho put in a system of waterworks. A city on the Pacific coast of the same size put in an equivalent system. In both of these cities an equal number of tons of iron pipe was used, but the Idaho city was compelled to pay \$10,000 more in excess freight rates alone, which must come from the people of that city, than was paid by the city on the Pacific coast that put in the identical water system and the iron for which was hauled on the same railroad tracks that delivered the iron to the Idaho city, but was hauled 500 miles farther.

My home is in the heart of the famous Palouse and Potlatch granaries of the Northwest. To handle our immense crops we require an immense amount of binding twine.

Speaking of conditions just before the United States was plunged into the World War, or in 1916, on every 100 pounds of binding twine shipped to us from New York we paid \$1 in freight. Now, the same train that hauled binding twine to the Palouse and Potlatch region hauled other cars containing precisely the same commodity, purchased at precisely the same place in the East, and hauled these cars 400 miles farther west, where Pacific coast farmers had need for binding twine, and the freight charges to the Pacific coast farmers were 75 cents per 100 pounds instead of \$1, as they were to us.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. NEWTON of Minnesota. Does the gentleman know what the price of twine would be if it was shipped by water over to the west coast and then by rail inland?

Mr. FRENCH. I do not know what the price of that particular commodity would be, though I could advise the gentleman readily. But let me make an illustration here to show how that particular point has a bearing.

The children in our schools are taught where the great grain regions are, where the sections of our country are that produce lead, that manufacture steel and iron commodities, and that manufacture clothing and other kinds of woolen and cotton cloth. They know that these latter are largely in the eastern and New England States.

Now, the likes and the demands of people the country over are very much the same. The people in Boise demand the same kind of woolen and cotton apparel that do the people in Portland, Oreg.

A few years ago two merchants were engaged in the wholesale and retail business who were good friends, and one of them was conducting his business in Portland, Oreg., the other in Boise, Idaho. The stock that was carried by these men was approximately the same and the capital invested the same. Through the friendship of these men they arranged one season to go to the eastern markets in New York and Boston and buy their supply of cotton and woolen goods at the same time. True, the Portland merchant traveled a day and a night before he came to a point in south Idaho where the Boise merchant joined him on the trip east, but they journeyed on, and as they compared notes they found that their wants were identical and that they could be supplied by the same manufacturing and wholesale concerns of New York and Boston and other eastern points. They made the tour of industrial centers together. When either one purchased a quantity of goods the other one duplicated the order. The only difference was that the goods of one were ordered shipped to Boise, while the goods of the other were ordered shipped to Portland. The merchants returned home and awaited the arrival of the goods for fall and winter display.

Now, it happened that in the same train were the cars carrying the goods to the merchant in Boise and the cars carrying the goods to the merchant in Portland. I have said that the orders purchased were identical, but when the Boise merchant received his goods and went to pay his freight charges he was asked to pay \$3,500. The Portland merchant a few days later, after the railroad had hauled the goods 500 or 600 miles farther, paid not as you might naturally imagine \$4,000 or \$5,000 or even as you might reluctantly suppose \$3,500, but only \$2,000.

Bear in mind the same train hauled the goods for the Boise merchant as hauled the goods for the merchant in Portland; each merchant had purchased precisely the same quantity of precisely the same goods, yet the Boise merchant was asked to pay in freight \$3,500 and the Portland merchant to pay \$2,000 in freight—

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. RAKER. In addition to the 600 miles farther, you go over a mountainous road, which is expensive, more expensive than any other road, to maintain.

Mr. FRENCH. That is true, and in addition to that remember that the rolling stock of the railroad company was tied up for several days longer because of the greater distance; remember that engineers and firemen and brakemen were employed days longer; remember that capital invested was required to pay dividends for a longer period of time; remember that the quantity of merchandise was hauled 500 or 600 miles farther. I say, notwithstanding all these considerations, the discrimination to the extent of \$1,500 was shown in favor of the Portland merchant; in other words, his freight charges were cut almost one-half in two.

But this is not all the story. Both of these merchants were engaged in the wholesale business supplying smaller houses scattered in the towns of the Northwest. Let us take the town of Mountain Home, located 75 miles east of Boise; that is, 75 miles farther from Portland than it is from Boise. On a given quantity of goods to be offered to a merchant at Mountain Home the Boise merchant was able to assure the Mountain Home merchant that the freight rates would be \$3.50—that is, the amount the Boise merchant paid to bring the goods from the East—plus 43 cents from Boise to Mountain Home, or a total of \$3.93, the goods laid down at Mountain Home. The Portland merchant was able to assure the Mountain Home merchant that he would place the identical order in Mountain Home and that the freight charges would be \$2 to represent the cost of shipping the goods from the East to Portland and \$1.60 representing the cost of shipping them from Portland to Mountain Home, or, in other

words, \$3.60 in comparison with \$3.93, if the goods were purchased from the Boise merchant.

Bear in mind that the Portland merchant was able to assure the freight charges to the merchant at Mountain Home that I have indicated—33 cents less on the quantity of goods purchased than the freight charges that could be assured by the Boise merchant—notwithstanding the fact that the goods had to be hauled through Mountain Home by Boise, on to Portland, shipped back by Boise, and on to Mountain Home, a total distance of 1,200 miles farther than the goods would have been shipped had they been purchased in Boise.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. FRENCH. I will.

Mr. JOHNSON of Washington. The gentleman says that a given rate is the same on goods from New York or Boston. Now, following the gentleman's argument, why should not it cost a little more from Boston to Boise than from New York to Boise?

Mr. FRENCH. They are purchasing in this market here [indicating New York and Boston], and the rate is precisely the same to Boise from either or to Portland, Oreg., from either.

Mr. JOHNSON of Washington. But Boston is farther away from Boise than New York. Why should not the rate from Boston be just that much more?

Mr. FRENCH. No; I am making the cases parallel exactly. Both merchants of Portland, Oreg., and Boise, Idaho, purchase in the same general market of New York and Boston. But, however, let us leave out Boston if that confuses things at all for the gentleman. I do not think it should. They both buy in New York or they both buy in Boston. I am giving you precisely the ratio of the cost of freight from either city to Boise, Idaho, and to Portland, Oreg.

Mr. JOHNSON of Washington. But if they buy in Boston they should pay more under the long-haul plan than if they buy in New York.

Mr. FRENCH. They might, but it would be in proportion. Certainly the Boise and Portland merchants should not pay greater rates from the nearer point than from the farther, providing the goods from Boston are shipped through New York. As a matter of fact, I think that the whole thing is taken up in differentials, so that the rate is about the same in carload lots from Boston or New York to Boise, or from Boston or New York to Portland. In following my illustration all that I want is that you will let both Boise and Portland buy in the same market—New York or Boston—and compare the rates on that basis.

Now, let me give you another illustration of the conditions under which we are laboring. Here [indicating on map] is Spokane, Wash., and the Stanton Meat Packing Co. is in business there. A few years ago the Stanton Meat Packing Co., having a surplus of lard, wanted to send it to Chicago, Ill., the packers there purchasing the lard. The carload weighed 62,100 pounds. Now, then, that called for an examination of the freight rates and this is what they found: Rate from Spokane to Chicago was \$1.25 per hundred; also rate from Spokane to Seattle, 50 cents; Seattle to Chicago, 60 cents; a total of \$1.10. They found that they could send the quantity of lard from Spokane in one car to Chicago at \$1.25 per hundred, or they could send the lard from Spokane to Seattle and then have their agent send it back again right through Spokane, making a round trip or a joy ride for the lard of 700 miles and on to Chicago for \$1.10 per hundred. By doing this they could let the railroad company have the pleasure of hauling the lard from Spokane to Seattle, back to Spokane, on to Chicago, and do the whole thing \$93.15 cheaper than it would do it if it could haul the carload of lard from Spokane to the city of Chicago.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. RAKER. Mr. Chairman, I ask unanimous consent that the gentleman may have 10 minutes, the time not to be taken out of the time agreed on. The gentleman from Idaho has given this subject great consideration, and we would like to hear from him. It is an important subject.

The CHAIRMAN. The gentleman from California asks unanimous consent that the gentleman from Idaho may proceed for 10 minutes, the time not to be taken out of the time fixed by the vote of the committee. Is there objection?

Mr. SNYDER. Mr. Chairman, reserving the right to object, I do not see why under the limitation of an hour either one side or the other can not give the gentleman time without continuing the debate beyond the hour.

Mr. RAKER. This is a very important subject.

Mr. SNYDER. I appreciate the vastness of the subject.

Mr. RAKER. The gentleman has given great consideration to it.

Mr. SNYDER. Some one who has some of the hour can divide it up.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FRENCH. I want to thank the Members for this courtesy. Let me give you another illustration.

The Old National Bank in Spokane, Wash., in 1912, erected a 15-story building. An immense amount of structural steel was used in this building. The steel, of course, had to be shipped from industrial centers in the Middle West.

Now, if this building, instead of being built in Spokane, had been built in Portland or in Seattle, the freight charges that would have been saved would have amounted to \$22,360 on the structural steel which was shipped.

Bear in mind that the steel, had it been sent to Portland or to Seattle, would have been loaded on trains that would have been hauled through Spokane and a distance of 400 miles farther to its destination.

Gentlemen, these are merely a few illustrations. I could continue for hours and recite to you practical illustrations based upon conditions that exist in the intermountain country of the West. That I might not be in error I have followed with great care in giving my illustrations the testimony taken only last year by the Committee on Interstate and Foreign Commerce, House of Representatives, from men from Idaho, Washington, and elsewhere, who so ably and graphically pictured to the committee at that time the unreasonable conditions that exist in our western country touching traffic rates. I am especially indebted for information to Mr. George B. Graff, Hon. A. L. Freehafer, and Mr. Leonard Way, of Boise; Mr. J. B. Campbell, of Spokane; and Mr. John F. Shaunnessy, of Nevada.

Mr. ROSSION of Kentucky. Will not the gentleman explain about the water proposition. He has not explained that yet.

Mr. FRENCH. That is just what my illustrations are leading up to. Under the Hayden amendment—which is the Poindexter bill—or under the Sims amendment a greater charge could not be made for hauling over the same line in the same direction a shorter distance than a longer, except in the Sims amendment, for reasons wholly apart from water competition.

Gentlemen, in the spring of this year I had the opportunity of visiting the war zone in Europe. I traveled over much of France and Belgium and Germany. I traveled for many miles along the Moselle and Rhine Rivers, and across many other rivers of these countries. Everywhere the rivers were in use except where the war itself had put an end to locks and had destroyed facilities, but in such places barges were beached upon the banks, showing plainly what had been the condition before the war. But the Moselle and the Rhine Rivers were literally alive with commerce. Tugs with three or four or five or six barges tied together, the one behind the other, were pushing their way up and down these rivers. I saw more barges in use in one day upon the rivers of Europe than I have seen in all my lifetime upon the rivers of the United States, and this ought not to be.

Gentlemen say unless this preferential rate is given to the coast cities and other cities where there is water competition or potential water competition the railroads will be forced out of business. Men, no such result as that will happen.

Bear in mind that across our continent only one trunk line has been built in 20 years, while, on the other hand, the western country has trebled or more than trebled itself in population and business. Therefore if there was any justification for the building of the continental lines when they were built, surely with the Panama Canal taking all the business that it can carry there will remain an abundance of business for the railroads to handle.

Gentlemen, the element of time may not be anything to a hog, but it is to a human being, it is to a business man, and the railroad companies with their facilities, with their ability to haul trains across the continent in a few days, would command the business in large part from coast to coast even if they should charge a rate slightly in excess of that charged through the Panama Canal.

In the first place, the canal ought to handle all the business that it can, and the railroads ought to be relieved of their congestion by this means. More than that, why have we built the canal? Why have we improved our waterways? Why do they not function as do the rivers of Europe, and why are they not alive with boats and barges hauling the freight of the country?

And so, in my judgment, 75 per cent or more—and men who have made close study of the question estimate that it would be far more than 75 per cent—of the coast-to-coast trade would go by railroads if the long-and-short-haul clause shall prevail,

but suppose that this were not the case, and suppose that the larger part of the business should be shifted to ships through the Panama Canal. Is there reason in God's world why it should not be? Why did we build the Panama Canal if not to furnish a means for commerce, for the scaling down of freight rates, and if that was the purpose why do we then put up a barrier to the success of the canal by permitting the railroads to haul from coast to coast at a rate unfair toward the shippers through the canal, and especially when the inland sections of the country must foot the bill?

Why should the intermountain and inland sections of the country be subjected to the levy of a subsidy so that the cities along the coast may have lower rates? Why should not the coast cities have the lowest possible rates by water and the lowest possible rates that economically they are entitled to by rail? They then would have an advantage over the cities of the inland country, but it would be an advantage that would be natural to their position; it would be an advantage of which we could not complain.

Traffic through the Panama Canal practically came to an end between the east and the west coasts of the United States by the end of 1915, but the unequal rates continued to operate until early in 1918. The discrimination in favor of the Pacific coast cities over the mountain country and western plains country of the United States resulted in a subsidy in favor of the Pacific coast cities of between \$12,000,000 and \$20,000,000, based upon the freight that was hauled through when there was no water competition, between 1916 and March, 1918. The subsidy is not less than \$6,000,000 per year in favor of the Pacific coast cities as against the cities of the Middle West and mountain country, and the people of the Middle West and mountain country are saddled with excessive freight rates in order to make up this amount.

But gentlemen say if the long and short haul shall prevail, rates will be disturbed; and some say that they will be higher. Now is the time to make the change, because now least of all will rates be disturbed. For nearly two years, under the direction of the Interstate Commerce Commission and later under Government control and in the absence of the use of the Panama Canal, the discrimination has been in part removed. Consequently, the change to the long and short haul law could be better made now than at any other time.

But let us take the worst that could happen—that rates in some places would be made higher than they are. As an antidote to that, rates in other places would be made lower, and, what is more, rates everywhere would be just and equal, or at least measurably so. Spokane, Wash., or Boise, Idaho, may be entitled to lower rates from the East to the West than Seattle or Portland or San Francisco; but even if they are so entitled they are not asking it; what they are asking is that their rates shall not be higher, and by the long and short haul clause they would not be higher and a more equitable condition would be established, under which the cities of the middle western and mountain country could become legitimate distributing centers and would have whatever advantage could come from the Panama Canal from coast-to-coast trade by water and from the development of waterways within the United States.

Do gentlemen forget that when the Panama Canal was opened there was pressed into service for it all the ships that numerous companies on the Atlantic and Pacific could get together, and do gentlemen know that within a few years all but two or three of the companies engaged in coast-to-coast trade had been forced out of business and ships had been sold and failure had been written above the venture?

And why? One of the reasons why was because after building the canal for the legitimate purpose of using it as a means of equalizing and reducing the freight rates between the East and the West we then turned around and permitted the bars of discrimination to be erected in favor of railroad transportation to coast cities, and the ships going through the canal simply could not get the freight, and therefore could not make a success of their business.

Gentlemen, we have expended \$500,000,000 to build the Panama Canal; we have expended almost \$1,000,000,000 on river and harbor work. Why, then, will we permit these great agencies of transportation to be idle and let the people be deprived of their greatest usefulness? [Applause.] If, gentlemen, you will remove the strictures on actual competition between the water carriers on the rivers and through the Panama Canal and the transportation companies through this country, you then will see not illy pads growing in the Panama Canal, as the great empire builder, J. J. Hill, of the Great Northern, said that he proposed to see grow, but you would see a busy canal, carrying its ship loads of commerce from east to west,

competing as they ought to compete with the great transcontinental railroads and cutting down the rate of freight between the East and the West. Gentlemen, that is what would occur.

This matter has been gone over so often—often even by myself in public and in private interviews—with Members of the Congress, and a multitude of times by others who are interested in the problem that it seems there is little more that can be offered or said by me than I have already presented.

Let me review, however, some of the reasons why the present condition is wrong and why a law should be passed that will definitely provide that a greater charge may not be made by a common carrier for hauling goods going in the same direction on the same line than may be charged for a longer distance when that shorter distance shall be included within the longer.

From the illustrations that I have made there should be no trouble in coming to the conclusion that I have urged on mere general principles. But there are other considerations.

The vast grants of lands that were made to the railroad companies were made to encourage the extension of their lines. The intermountain country is as much and as vitally interested—and was as much and as vitally interested—in these lands as were the Pacific Coast States. Equality, then, should be administered to all alike, to the people of the mountain country and to the people of the Pacific coast.

Second, we built the Panama Canal a few years ago. It cost the people of the country something like one-half billion dollars. That money was not advanced by the people of the Pacific coast; it was not advanced by the people of the East; it was advanced by the people of all our country, and in that great project the people of the western and intermountain country have as great a right and interest as have the people of any other section. That being the case, we have a right to receive the benefits from the building of the canal. One of the great benefits to be attained by the completion of the canal, we were told everywhere, was the scaling down of transportation charges between the East and the West. Is that a benefit that is to accrue to the West alone, that is merely along the Pacific coast, or is it a benefit that should accrue to all the great West, including the plains States and the States in the intermountain region?

Again, not only from the standpoint of fairness between man and man ought the contention that I am urging to prevail, but from the standpoint of the building up of our country it should prevail. I am sure that the Congress does not want to deliberately grant better conditions to one group of cities than it grants to another group, yet that is precisely what is being done under the present law. When a merchant can establish himself in Portland, Oreg., buy his goods in the eastern markets, ship them by rail to Portland, through Idaho, and turn around and ship the same goods back to Idaho points and lay them down at a less price than they can be shipped to Idaho from the East, it is a clear discrimination in favor of cities on the Pacific coast as against those in Idaho and other parts of the great West. Now, this discrimination is not only against cities that are already established in Utah, Colorado, Idaho, Montana, and other States, but this discrimination works an injury upon those States as they attempt to invite new capital or to profitably invest the capital that is theirs as a result of years of toil and frugality. What encouragement is there to offer, what inducement is there to present, when the cities of the Pacific coast can say, "If you will establish your plant, your wholesale house, your factory with us we can show you that you can have cheaper freight rates than if you were to establish your institution in Spokane, or Boise, or Salt Lake City"?

Again, it is right that this idea should prevail, because we ought to adopt a system that will be stable and that will be permanent. One of the great considerations that enter into the minds of capitalists as they look to investments is stability. Although during the last year or so a greater charge has not been made for hauling goods from the East to the mountain country than is made for hauling the goods to the Pacific coast, it is well known that as soon as war conditions shall be over the change will be made, and if the change shall be made next year we have no assurance that a more unreasonable change will not be made the year following and that a further and maybe grossly unreasonable change will be made in 10 years from now. These discriminatory rates may be modified from year to year. No; we should write the principle that I have enunciated into law, so that the section of country that has 13,000,000 people, that contributed its full share to the encouragement of railroad building, its share to the Panama Canal construction, to the river and harbor work of the country, shall have equal and fair chance with the section of country upon the rim of the United States.

But it is urged that this discriminatory system is right because of water competition. Gentlemen, a great deal may be conceded to those who urge that the Pacific coast shall receive advantages by reason of water competition that will fall short of conceding that the unreasonable discriminatory rates that have existed shall continue to exist. Surely it is a concession when we say that goods may be shipped to Portland, Oreg., to Seattle, Wash., at a rate no greater than that which is charged for shipping the goods to Salt Lake, or Boise, or Spokane. We are not asking even that which it would seem we have the right to ask—that the rates to this intermountain country shall be less than to coast points; what we are asking is that they shall not be more.

If you say that the charges shall be the same the intermountain country will then be bearing a burden that is much higher and much harder to bear than the burden placed on the Pacific coast cities and peoples—a greater burden, I say, for the reason that the people of the intermountain country are asked to pay an amount equal to that paid by the Pacific coast for service that is much less.

I realize, first of all, that you can not pro rate freight rates upon the basis of distance altogether; that is, you can not say that if you load a freight car, haul it 100 miles, and unload it, ten times as much should be charged as if you load the car and haul it 10 miles and unload it. True, the distance is ten times greater in one case than in the other, but other considerations enter in. No matter whether the car is hauled 100 miles or 10 miles or 100 feet, I assume that it will require just as long a time to load and unload it. So I am willing to say and to admit that the rate for hauling 10 miles should be much greater per mile than the rate for 100 miles.

But by what right, by what reason, do we arrive at the conclusion that we should charge less for hauling a greater distance than we charge for hauling the shorter distance?

Gentlemen, it is illogical, it is indefensible, it is absurd. If this proposition had been called to the attention of Lewis Carroll at the time he wrote his delightful book—*Alice in Wonderland*—I have no doubt that he would have had the question illuminated there, and he would have had large-eyed Alice propounding the question to the Mad Hatter, "How can a half of an apple be more than a whole apple?" and the Mad Hatter would solemnly assure little Alice that "it is not larger, and it can not be; and yet," he would say, "it is more." He would say, "Strangely enough, a half is not greater than the whole, and yet it is greater," and little Alice would go on in *Wonderland*.

Now, gentlemen, that is the same proposition that you are trying to make the people of this intermountain country believe, that a half of an apple is greater than the whole apple; that if a man purchases a suit of clothes for himself for \$50, he should pay \$75 for a suit of the same cloth for his little son; or, if he chooses to buy the coat alone, and not the vest and trousers, he should be charged \$60 for the coat, while if he purchases the coat, vest, and trousers, the price to him would be \$50; that if he ship a carload of merchandise to a point in Idaho on the main line he shall pay more than if he ship the carload through this point and 500 miles beyond—over on the Pacific coast.

Mr. ALMON. Would the Sims amendment relieve that situation?

Mr. FRENCH. It would, absolutely. This is not a new thing. It is a thing that has been discussed for a good many years. Unquestionably the equities of the case are with these 13,000,000 people in the plains and intermountain country.

Mr. SUMNERS of Texas. Will the gentleman yield for a suggestion?

Mr. FRENCH. I will.

Mr. SUMNERS of Texas. In addition to that, you would take this unnecessary freight from the railroads and permit the railroads to properly function in this country?

Mr. FRENCH. Unquestionably. And we know before the Government took the railroads over, and afterwards, according to the debate yesterday that came from the former Speaker of the House [Mr. CANNON] and from the gentlemen from Texas [Mr. PARRISH, Mr. JONES, and Mr. BLANTON], the railroads do not to-day have the freight cars with which to handle the traffic of the country's business. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAYDEN. Mr. Chairman, I offer a substitute.

The CHAIRMAN. The gentleman from Arizona offers an amendment by way of a substitute, which the Clerk will report.

The Clerk read as follows:

Substitute by Mr. HAYDEN: Page 55, strike out section 406, and insert in lieu thereof the following:

"That section 4 of the act to regulate commerce as amended, be further amended to read as follows:

"SEC. 4. (1) That it shall be unlawful for any common carrier subject to the provisions of this act to charge or receive any greater compensation in the aggregate for the transportation of passengers, or of like kind of property, for a shorter than for a longer distance over the same line or route in the same direction, the shorter being included within the longer distance, or to charge any greater compensation as a through route than the aggregate of the intermediate rates subject to the provisions of this act, but this shall not be construed as authorizing any common carrier within the terms of this act to charge or receive as great compensation for a shorter as for a longer distance.

"(2) Whenever a carrier by railroad shall, in competition with a water route or routes, reduce the rates on the carriage of any species of freight to or from competitive points, it shall not increase such rates unless after hearing and an order granting permission therefor by the Interstate Commerce Commission."

Mr. FRENCH. Mr. Chairman, I also ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Idaho asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none. The gentleman from Kentucky [Mr. BARKLEY], a member of the committee, is recognized.

Mr. BARKLEY. Mr. Chairman, I appreciate, as all the Members of the House do, the situation which has been described by the gentleman from Idaho [Mr. FRENCH] and by the gentleman from Arizona [Mr. HAYDEN], and I would be glad to see it relieved; but if the gentleman from Tennessee [Mr. SIMS] succeeds in the adoption of his amendment, the result would be the tearing up of the entire rate structure all over the United States, because by this permission now given to the Interstate Commerce Commission in special cases the railroads are allowed to depart from the original long and short haul clause of the interstate-commerce act, and it applies to all the United States and not simply to the intermediate sections, as has been asserted.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield?

Mr. BARKLEY. I have only five minutes; I am sorry.

Let us take the situation not only along the Pacific seaboard but also along the Atlantic seaboard. We will assume that there are railroads running up and down the coast, as there are on both coasts of the United States. These railroads touch water points here and there, but they also reach intermediate points. We have on the oceans an ocean-carrying monopoly called the coastwise monopoly, engaged in by the boats that haul commerce up and down the Pacific coast and the Atlantic coast. The Interstate Commerce Commission, in order to allow the railroads to compete with this water transportation, has allowed them to reduce the rates to a point that will enable them to compete with this coastwise monopoly on the Atlantic and Pacific seaboard.

If the amendment of the gentleman from Tennessee is adopted, it will take from the roads the right to compete with this monopoly on the Atlantic and Pacific coasts, and will result in the increase of rates to the people who live on the water without any corresponding benefits to the people who live in the interior. The result will be no benefit to the people in the intermediate points, but—

Mr. BLAND of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. BLAND of Missouri. Would it not result in an increase of rates to the people in the inland points?

Mr. BARKLEY. Absolutely.

Now, it is necessary for the roads that serve the inland points to get the through business, and they can not get the through business unless they can compete with the water rate; and if you take away from them that business, you not only handicap the service they may be able to render the inland points, but in many cases cause of necessity a withdrawal of the service to inland points.

Mr. GOODWIN of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. GOODWIN of Arkansas. Why not regulate the coastwise trade?

Mr. BARKLEY. Originally the subcommittee gave the Interstate Commerce Commission the power over the water rates, but that has been eliminated in the full committee, and I do not believe the House would give the commission any power over water rates.

Mr. LARSEN. Mr. Chairman, will the gentleman yield for a question?

Mr. BARKLEY. Yes; I yield.

Mr. LARSEN. If a railroad controlling the Atlantic coast can make a living at hauling freight at a given rate, why can it not do it going across the country?

Mr. BARKLEY. That brings in the question of the equation involved in the transcontinental haul. Under the law as it exists, and even if the Sims amendment is agreed to, the rail-

roads can compete with one another, so that you can have a lower rate at some congested point where there is rail competition, lower than to intermediate points. But this amendment takes away from people who happen to live in the cities that are on the water the benefits of their natural position and they are robbed of any competition, because the railroads can not compete with these great steamship lines, and therefore they will have to withdraw from the trade, and if they do withdraw from it that will seriously interfere with their ability to serve the people on intermediate and interior points.

This has been in effect for 30 years. As the result of it you can take the city of Houston and other cities in the State of Texas and elsewhere, where by reason of the fact that the railroads are permitted to compete with the coastwise monopoly that serves the Gulf ports of Texas and other States, factories have been located there and maintained. The differential has a great deal to do with the location of factories and commercial enterprises. If that is taken away it will be a great injustice to many institutions that have been established and that have spent millions of dollars in locating upon the water ports of the United States by reason of the conditions that have prevailed under the rule that has operated in the last 30 years. The result, my friends, will be that these intermediate points will not be benefited by the reduction of rates, but the rates will have to be raised on the terminals, and therefore the expense of shipments in the United States will be increased without any corresponding benefit to those who are complaining against the provision. Therefore the Sims amendment will not accomplish any benefit to those it seeks to relieve, but will result, on the average, in an increase of rates throughout the country.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired.

Mr. SMALL. Mr. Chairman, I have an amendment which I wish to be considered as pending after the pending amendment and substitute are disposed of.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Amendment offered by Mr. SMALL: Page 55, after line 13, insert a new section, to be No. 405 (a), as follows: "Where there is an existing line of water transportation, or one is proposed to be immediately established, it shall be unlawful for any railroad which operates between points competitive to said water line to reduce its existing rates with a view to meeting the difference between water rates and the rail rates, unless after full hearing the commission shall find that such reduction of rail rates is justified in the public interest. In determining the question of public interest the commission shall consider the rates charged by the water line as presumptively reasonable and shall also consider the advisability or necessity of maintaining increased facilities of transportation: *And provided further*, That the commission shall not permit any railroad to reduce its existing rates as between points competitive with the water line or lines unless such railroad maintain such reduced rates as the maximum at all intermediate points on all its lines between the points of origin and destination: *And provided further*, That the provisions of this section shall have no application to commerce through the Panama Canal."

Mr. ESCH. Mr. Chairman, I reserve a point of order on that.

Mr. SMALL. I may say, Mr. Chairman, that a point of order was made and overruled yesterday by the then Chairman, except that he did not think that it was offered at the proper place at that time. The point of order was only sustained to the extent that it was not offered at the proper place, but I afterwards had a conference with the then Chairman of the Committee of the Whole, and this is the place where we agreed it should be inserted. I mention that circumstance in order that the Chair will recall it. I think the gentleman from Illinois [Mr. MADDEN] made the point of order yesterday on the ground that it was not germane to the section of the bill, which the Chair overruled.

Now, Mr. Chairman, I made some remarks on yesterday in which I endeavored to show the merits of this amendment. It is intended in a mild way to prevent railway lines which are competitive with water lines from reducing their rates, and they can do it only with the consent of the Interstate Commerce Commission, which must find that it is in the public interest, and if they do reduce their rates competitive with water lines then they must reduce their rates similarly upon all of their lines. That is the substance of this amendment. It does not go as far as I individually would like to have it go. It has reference only to existing conditions and not to past conditions. I think, however, it will accomplish a wise purpose, will prevent this constant friction and clash between water lines and rail lines in the future, and will give water lines that right which ought to be theirs, the right to exist, and work out their own salvation in the interest of the transportation facilities of the country.

Now, Mr. Chairman, with that statement I also wish to say that I am in favor of the amendment offered by the gentleman from Tennessee [Mr. SIMS]. The gentleman from Idaho [Mr.

FRENCH] gave some clear and conspicuous illustrations of the injustices which are perpetrated under the existing law. Why this discrimination between ports on the Pacific coast and points 500 miles in the interior?

Mr. HAYDEN. Why should not the gentleman's amendment apply to the Panama Canal if that is the case?

Mr. SMALL. If the amendment of Mr. SIMS, giving application of the long-and-short-haul clause is adopted, I will revise my amendment so that it will include traffic through the Panama Canal.

Why are these discriminations practiced, forsooth? They did not exist until after the Panama Canal was constructed, but after that canal was opened up and we had ships plying between the Atlantic and the Pacific coasts, through the canal, affording lower rates for the commerce of the country, then the transcontinental roads applied to the Interstate Commerce Commission for permission to reduce their rail rates.

Mr. SNYDER. Will the gentleman yield for a question?

Mr. SMALL. In a moment. The gentleman from Idaho [Mr. FRENCH] said that during the period of Federal control these inequalities did not exist. Why? Because during the war ships which had been going through the canal were withdrawn and put into the trans-Atlantic service, and immediately the railroads made application or the United States Railroad Administration assumed the power to restore the old rates. Just as soon as this Congress enacts a law restoring the railroads to their owners the application will be made again, and the same conditions will exist as prior to this war.

The people who live in interior sections have a just cause of complaint. The gentleman from Kentucky [Mr. BARKLEY] attempted to justify it, because he said rate systems had been built up, industries had been established at various points, predicated upon these favorable conditions, and he gave as an example the city of Houston, Tex. The Government has spent millions of dollars to give 30 or 35 feet of water up to Houston, and they are entitled to whatever benefit they get from water transportation.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. SMALL. May I have unanimous consent for two minutes more, not to come out of the time fixed for debate?

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to proceed for two additional minutes, not to be taken out of the time fixed by the committee. Is there objection?

There was no objection.

Mr. SMALL. The Government has spent millions of dollars to build a capacious and adequate channel up to the city of Houston. The people of Houston are entitled to use that channel to the fullest extent and to derive every benefit possible from it, but they are not entitled to use that improvement to get lower rail rates at the expense of an interior city 100 or 200 miles distant. [Applause.] It is unfair and unjust.

There are two selfish sides to this question. One is the attitude of selfishness, built upon injustice, of cities like Houston, Portland, Seattle, New York City, and Boston, which are enjoying certain preferential rail rates at the expense of other sections and other cities of the country. No one claims that Seattle and Portland and Los Angeles should not enjoy the favored rates of water commerce going from the Atlantic coast through the Panama Canal. They are entitled to the low rates which they receive upon movements of traffic through the canal, but they are not entitled to a reduction of rail rates simply by reason of the Government having provided the Panama Canal, at the expense of points in Idaho and interior Washington.

Let me give you an illustration, which happened a moment ago, regarding the two selfish sides: Here is the gentleman from Washington [Mr. JOHNSON], from the city of Seattle, who is opposed to the amendment. The gentleman from Spokane, in the same State [Mr. WEBSTER], is in favor of it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WELTY. Mr. Chairman and gentlemen of the committee, it seems as though this is a contest between those who are representing cities favorably situated on water and those who represent inland towns. But let us look at the situation. We have spent \$84,442,221.02 for the canalization of the Ohio River. We have spent in addition to that \$67,795,300 to canalize the tributaries of that river. We have taken almost \$150,000,000 out of the Treasury of the United States for the purpose of canalizing the Ohio River and its tributaries, so that we in the North might procure cheaper coal. Then, when you take that coal and load it upon the boats for Cincinnati, you permit the railroads which run from Cincinnati to Toledo to charge \$1.50 a ton for the transportation of river coal from Cincinnati to Toledo, while they charge only 62½ cents if they receive that coal

from one of the coal roads running into Cincinnati. We might just as well look at this situation squarely. Why should we take millions of dollars out of the Public Treasury for the purpose of canalizing the Ohio River and its tributaries, so that those in the North may get cheaper coal, and then when the boats loaded with coal reach Cincinnati permit the railroads to charge for the coal that they receive from these boats \$1.50 a ton to transport it from Cincinnati to Toledo, while they charge only 62½ cents a ton for the same transportation if they receive the coal from one of the coal roads?

And that is not the only discrimination. Go to Fort Worth, Tex. I understand that Fort Worth is about 280 miles from Galveston, Tex. Dallas is about 270 miles from Galveston, Tex., and yet the merchant at Fort Worth or Dallas, Tex., pays four times as much per mile for his freight as does the merchant at Kansas City, because Kansas City happens to be on a navigable river. The merchant at Kansas City is permitted to receive his freight at one-quarter of what the merchant at Fort Worth and Dallas receives his.

Gentlemen, if you represent the favored places, you ought to vote against the Sims amendment, but if you represent towns and cities that have not the advantages of water transportation, you ought to support the Sims amendment. If you will consider the millions of dollars spent for the purpose of canalizing the Ohio River, money taken out of the Treasury of the United States, how can you permit private roads to charge 87½ cents more for coal that they receive from the river boats than they charge for coal received from one of the four coal roads running into Cincinnati? Take the freight rates from Buffalo to New York. They are 50 per cent cheaper than any other places because of the Erie Canal.

Let me give you a few more illustrations to show the discrimination: The route from Cincinnati to Evansville, on the river, is 270 miles, and first-class freight is 42 cents per 100 pounds, while to Gallatin, Tenn., which is inland 273 miles, the rate is 70 cents. The rate from St. Louis, on the Mississippi River, is 43½ cents, while to Englewood, Tenn., inland, it is 86 cents.

The CHAIRMAN. The time of the gentleman has expired.

Mr. EVANS of Nevada. Mr. Chairman, eastern Oregon, eastern Washington, eastern California, Nevada, Idaho, Arizona, New Mexico, and Utah all paid their proportion of the cost of the Panama Canal. It is now operated by this Government through one of its branches. Will we permit another branch of the same Government to make such a discriminatory low rate on rail traffic that it can put the canal out of business and lose us a large portion of the money we paid for the canal? We paid for the canal, and its reason for being is the traffic through it. If the railroads are to be permitted to cut rates to meet the canal rates we may as well turn the canal back to Panama, as no one will ship by the slow water route what he can ship as quickly by the quicker rail route. And this brings up another question: If the Interstate Commerce Commission, a function of our Government, is to be permitted to take an action the effect of which is to seriously affect the canal administration, another Government function, are we not confronted with the fact that we have not one Government but two, and these two in direct competition? And if two, why not three, or as many more as we have different Government branches? It would seem the people of this country have a right to know that they have one Federal Government, and that the functions of one branch of that Government will not and can not be interfered with or usurped by another branch.

Thirty-two years ago it was established as correct and just that no greater charge should be made for a shorter haul than for a longer haul over the same line and same direction. Yet cases without number can be cited where the inequality and iniquity of discriminating against interior States still prevails and is defended by representatives of sections which defy all sense of shame and fear of law to further benefit at the expense of States rendered financially weak by this pernicious practice. When you permit by ingenious argument one State or section to establish and practice unfair advantage over another State or section by a violation of recognized principles of equity through discriminatory freight rates, you encourage and promote wholesale inequality.

For about two years since 1887 the roads observed the law, when they again found means to initiate and name rates discriminating against interior points—simply a plan to disregard equal sectional rights—enlisting support from terminal points by argument that such point had corresponding advantage. The contention is not based upon fact, and even if true would still be undesirable even to those sections proposing to aid at the expense of other points. We demand a strict enforcement of the long and short haul clause, so clearly just and right, with

confidence that Congress will observe the great American principle of equal rights to all.

You had the honor of hearing the gentleman from Michigan [Mr. FORBNEY] declare the same doctrine not a month ago on the floor of this House.

Mr. MEAD. Mr. Chairman, I wish to say that if the Sims amendment does tear up the rate structure which it took 30 years to build, that structure ought to be torn up if it perpetrates an injustice upon 13,000,000 people. The splendid arguments advanced by the gentleman from Arizona [Mr. HAYDEN] and the gentleman from Idaho [Mr. FRENCH] prove that the railroads should be left at least temporarily in the control of the Government until these injustices can be eliminated.

Mr. Chairman, in order that the record may be kept straight and clear I call the attention of the Congress to a statement of the gentleman from Massachusetts [Mr. WINSLOW] appearing in yesterday's RECORD. I believe the gentleman misunderstood Mr. Doak, who testified before the committee. He states Mr. Doak, appearing before his committee, advised in favor of the plan which is contained in the Esch bill by the committee.

Mr. WINSLOW. Will the gentleman yield?

Mr. MEAD. After I have read the gentleman's statement I will. The gentleman from Massachusetts said:

We concluded that the trend of the times and the thought of the hour ran strongly in favor of the conciliatory plan. So we determined we would work out the machinery on that basis. How should we go about it? How should we provide for the consideration of the differences? We determined that we would take the advice of a labor leader who appeared before the committee and argued in favor of boards of equal representation between capital and labor. I refer to Mr. Doak. You can find his testimony in the second part of the hearings. Now, labor comes in and says "no." They do not want it at all. We worked out the scheme in accordance with the ideas of the labor representative who appeared before us. If we are wrong, he was wrong. We took him to be sincere, and we built up the structure on his recommendation.

Mr. Chairman, I have here the remarks Mr. Doak made before the committee.

Mr. WINSLOW. Mr. Chairman, will the gentleman yield?

Mr. MEAD. As soon as I conclude reading Mr. Doak's statement. Mr. Doak spoke as follows:

I tried to make plain that there was no necessity of any legislation on this subject. I advocated only mutually agreeable, voluntary methods of adjustment, pointing out as best I could my reasons for so stating that position. I still hold the views then expressed as an individual and am now to a greater degree reinforced by having the judgment of the representatives of the American labor movement's opinion. We all agree that nothing but voluntary methods are proper and will secure the results desired by the rank and file of our citizenship. We do not agree that those are the views of the persons advocating the destruction of organized labor, neither do we share the views of those desiring to exploit, bind, and shackle the hands and feet of free men.

In connection therewith Mr. Doak informed me this morning that several days ago he wrote a letter to the committee and told them he opposed the committee plan and favored voluntary mediation between the representatives of organized labor and the operators of the railroads, the same system that was in vogue before the Government took over the railroads; that is, the representatives of the workers settle their differences with the representatives of the railroads.

There is another matter that I desire to bring to the attention of the House. At the top of page 8511 of the RECORD, some Member, speaking to the House, said let the brotherhoods and American unions rid their ranks of anarchists, and all through the debate yesterday those who favored compulsory arbitration and penalizing legislation said they did it because of the anarchists in the labor movement. Let me say to you, my friends, it is not the duty of the American laboring man to rid this country of anarchists. It is the duty of the Department of Justice and other governmental agencies. If they have not the power to drive from our land those who hate our flag, those who detest our institutions, we should clothe them with further power, and I assure you if we drive the anarchists from America we will have the loyal support of the laboring man in doing so. [Applause.]

Speaking of the loyalty and patriotism of the railroad train service organizations, which includes the men engaged in yard, freight, and passenger service in the United States, members of the Order of Railway Conductors, Brotherhood of Locomotive Engineers, Switchmen's Union of North America, Brotherhood of Railway Trainmen, and Brotherhood of Locomotive Firemen and Engineers, is proved not only by their steadfastness to duty on the railroads of France and in our own country, but also by the sacrifices made by the members of these organizations on the field of conflict. Even a cursory investigation of the records bears out this statement.

The total membership of the organizations above mentioned is 444,058, and of these 28,728 served in the Great War. This is indeed an admirable, yea, a great showing when it is considered that 70 per cent of the membership are men over the draft age, and many of them disabled from injuries received in train

service prior to the war. The same loyalty and patriotism manifested by these organizations was equally demonstrated by the section men, shopmen, clerks; in fact, all railroad employees. But, lacking accurate figures, I am unable to quote them.

Comparison of the casualties in the American Expeditionary Forces with casualties on the railroads of the United States brings to our minds the dangers the average railroad man works under day and night. Let me quote a paper written by Dr. Dumott, chairman of the United States Railroad Administration's committee on health and medical relief, in which he gives the following information, which I feel will be of interest to you:

In passing it might be pertinent to state that the railroads under Government control in 1917 employed approximately 2,000,000 men and women, mostly men, injured over 194,000 persons; approximately 63,000 of these people injured were more or less severely crippled and over 10,000 people were killed. The figures for 1916, same roads, are so similar that unless I emphasized the year which I was quoting the figures you might justly believe that 1917 figures were being repeated. The American Expeditionary Forces figures quoted below are from the New York Times, June 3, 1919:

American Expeditionary Forces—War:	
Killed	51,471
Injured	206,650
Railroads:	
Killed	10,000
Injured	194,605
Increase in American Expeditionary Forces over railroads:	
Killed	41,384
Injured	11,845

The war is won, thank God; the destruction in France has ceased; but day by day we read of collisions, wrecks, explosions, and other accidents upon our railroads, and day by day the gruesome toll of men engaged in this line of work is increased. And so, gentlemen, I would have you remember, even those of this profession whose duties make it necessary they remain at home, these men did their "bit," rendered loyal service, and made sacrifices in the time of their country's peril while engaged in rushing men, provisions, and munitions to the boys at the front; and in other ways proof was given of the patriotism of the men who served at home.

Not only did they purchase Liberty bonds and war-savings stamps but they also kept up the insurance of the 28,728 men who joined the colors. This was done by a special assessment which the members placed upon themselves; and the heirs of every member killed in the service of his country, or permanently disabled, have already received their insurance from the organization of which he was a member. That 28,728 men left their work to fight is an exceptional showing; and it is to be remembered that the exemption boards were ordered by the Government to exempt railroad men because the railroads were becoming demoralized because of the great number of men who voluntarily joined the Army and Navy. Yardmasters, trainmasters, master mechanics, and superintendents not only sought the exemption of their men but constantly advertised for help. And this proves not alone that the men left their work to serve their country; it also proves the further fact—contrary to what the public has been led to believe—that work on the railroads, considering the dangers and wages paid, was most unattractive to the average man.

When we regard the wage proposition everyone familiar with railroad affairs knows there are times when business is rushing and the men, by working overtime, draw fairly good pay, but there are other times when business is at a standstill, and these men do not earn enough to meet their expenses. This is particularly true of the men in freight and yard service, for in dull periods it is the policy to reduce the number of crews and, as a result, the average wage is anything but high. I have known men who have worked as engineers for 10 years being demoted to firemen, and firemen who have worked for 10 years, and who had regular passenger runs, being "set back" to the extra board and working only about one day per week.

For example, when business is active a railroad may work 20 train crews at a given terminal, but in dull periods this may be reduced to 5 crews, with a result that some men are reduced, some placed on the extra list, while others are temporarily laid off. If, then, one is fair and computes the general average wage, he will find that the increase in wages paid railroad men, contrary to the general belief, has not kept pace with the increased cost of living. If we, however, take as an example a special case, such as a first-class passenger run, where the crew makes upward of 150 miles per trip, of course the wages are better, but it is necessary to serve about 20 years or more before one is placed on such a run, and after a service of 20 years a man is entitled to some extra consideration and fair wages. If it is also borne in mind that men engaged in freight and passenger service are away from home a great deal of the time, and therefore they must pay board and lodging at one end of the road and maintain a home at the

other end. In nearly every other line of work men who travel are paid their full traveling expenses in addition to their salaries, but this is not the case with railroad men.

When we are honestly looking for the correct amount of money a man in train service receives we must not look to the Southern Pacific Railroad or to the Bangor & Maine Railroad or any other railroad for a special case. We must, instead, take a fair average for the average man the year around, both in the busy and in the dull period.

The claim that railroad employees receive high wages is not supported in the report of a railroad wage commission made last year. The chairman of the commission was Hon. Franklin K. Lane, Secretary of the Department of the Interior. The commission said:

It has been a somewhat popular impression that railroad employees are among the most highly paid workers, but figures gathered from the railroads disposed of this belief. Fifty-one per cent of all the employees during December, 1917, received \$75 per month or less, and 80 per cent received \$100 per month or less. Even among the locomotive engineers, commonly spoken of as highly paid, a preponderating number receives less than \$170 per month, and this compensation they have attained by the most compact and complete organization, handled with a full appreciation of all strategic values. Between the grades receiving \$150 and \$250 per month there is included less than 3 per cent of all the employees (excluding officials), and these aggregate less than 60,000 out of a grand total of 2,000,000.

The greatest number of employees on all roads fall into the class receiving between \$60 and \$65 per month—181,693; while within the range of the next \$10 in monthly salary there is a total of 312,761 persons. In December, 1917, there were 111,477 clerks receiving annual pay of \$900 or less per annum. In 1917 the average pay of this class was \$36.77 per month. There were 270,855 section men, whose average pay as a class was \$50.31 per month; 121,000 other unskilled laborers, whose average pay was \$58.25 per month; 130,075 station service employees, whose average pay was \$58.57 per month; 75,325 road freight brakemen and flagmen, whose average pay was \$100.17 per month; and 16,465 road passenger brakemen and flagmen, whose average pay was \$91.10 per month.

These, it will be noted, are not prewar figures; they represent conditions after a year of war and two years of rising prices. And each dollar now represents in its power to purchase a place in which to live, food to eat, and clothing to wear but 71 cents, as against the 100 cents of January 1, 1916.

Since this report was issued the railroad employees secured wage increases that approximate 34 per cent to meet the 71 per cent increase in living costs that the commission acknowledged. The railroad workers are asking for another increase to maintain advancing living costs.

For many years my business has brought me into intimate touch and close relationship with the men who work on our railroads. At 12 years of age I started as a water boy, then served as a section hand, a shopman, and switchman. So, you see, I speak with knowledge born of experience in giving you these facts with respect to the condition of the men engaged in this hazardous, yet most essential, branch of industry.

I have a sympathetic interest in their lives and their fortunes, and am ambitious to make their lot a little safer, a little better, more comfortable and happy.

Mr. HARDY of Texas. Mr. Chairman, this subject has been interesting to me from the time I first came to Congress. Every interior point in the United States has been for the last 30 years paying a tribute by way of excessive rates in order to give cheaper rates to other points, and thereby to put itself at a disadvantage as compared with such other points. I want to state this, that any city on a navigable river or on the coast has a right to all of the special natural advantages its location gives it, but it has no right to have an additional advantage given it by the levy of excessive freight rates upon interior points. Spokane and Seattle illustrate the Northwest. The gentleman from Washington [Mr. FRENCH] has fully shown the injustice of the discrimination in favor of Seattle as against Spokane. Dallas and Kansas City or any of the Mississippi River cities illustrate the South. The freight rates on commodities from Galveston to Dallas are nearly twice what they are on the same commodities from Galveston through Dallas to Kansas City. Why? Because there is a potential competition from Galveston to Kansas City between the railroads and water transportation by way of the Gulf and up the Mississippi River to Kansas City. There is no real competition, because there is no navigation actually on the Mississippi from the Gulf to Kansas City, but in order to forestall any possibility of a shipload of goods going from Galveston around the Gulf, up the Mississippi River to Kansas City, the freight is less to that point by rail than it is from Galveston to Dallas, a distance of less than 300 miles. Again, my home town is 210 miles from Houston and 260 miles from Galveston. We pay and have paid for 30 years on lumber rates greatly exceeding the rates charged on lumber to Memphis, Tenn., and why? Because that lumber might be hauled from Beaumont down to the Gulf, and around the Gulf and up the Mississippi, making 1,000 or 1,200 miles of water haul, and to forestall and to prevent the installation of ships on the river the railroads of the country give cheaper rates to Memphis and St. Louis. Why, the rate from Beaumont to St. Louis through Corsicana is less than it is to Corsi-

cana, a distance of 290 miles. All of that is done by the railroads to absolutely kill water transportation on the inland streams of the country, and it has done it, and we as the American Congress, representing the whole American people, have sat here for 30 years and permitted the railroads to tax interior points in order to kill water competition at water-competitive points. The great Erie Canal is dead as an instrumentality of transportation. The Mississippi River from Memphis down to the Gulf might just as well be a sand stream as a water stream. I was on its bosom for two days and I did not see a load of goods going from St. Louis to Memphis, while I saw thousands of saw logs hauled by railway along the very side of the river.

We spend hundreds of millions of dollars to improve the Mississippi and yet let the railroads tax the interior points in order to reduce their rates at water competitive points, and so prevent any traffic on the river. Thirty years ago there were great freight carriers on the Mississippi; and what did the railroads do? Having all of the interior points to draw from, they put a freight rate on cotton from Memphis to New Orleans, 500 miles away, of 50 cents a bale, while they charge in cases where there is no river or water line, as from Corsicana to Galveston, \$2.55 for 250 miles. Years ago, when boats were plying the Mississippi and hauling cotton, the roads reduced the rate to 50 cents a bale on cotton, and in like proportion on other freight, until they drove the freight off the river; and they still keep it low in order to prevent a reinstallation of boats on the river. If our cities on the Mississippi River and on the coast rightly understood even their own interest they would be content with the advantage that God has given them and not seek to destroy that great opportunity for cheap transportation that nature gave our country in giving us our inland waterways; and we, the Congress, ought to see to it that the inland waterways of this country are utilized; and this will never be done until you get an amendment like the Hayden amendment, which forbids railroads to tax interior points to enable them to lower freight rates to water-competitive points and drive freight off the waterways of the country. It is so plain, it is so clear, that how any man looking at the interest of the whole country and voting for the expenditure of millions of dollars can fail to see it I do not understand. We ought to adopt the Hayden amendment. [Applause.]

Mr. HUMPHREYS. Mr. Chairman, I am in favor of the substitute offered by the gentleman from Arizona [Mr. HAYDEN]. We had a good deal of talk yesterday about the scarcity of cars out in Texas and in Illinois. The railroads were unable to furnish the cars to attend to the necessary public business, to the extent that many millions of bushels of wheat were going to destruction because the railroads were using their cars in an effort to haul the freight that the rivers ought to be hauling. If the Interstate Commerce Commission is given any discretion in the matter they will in the future, as they have done in the past, permit the railroads to destroy transportation by water. They have full power now in the matter, yet they agree that the railroads can make preferential rates at various river towns to such an extent as to destroy traffic on the river; and for that reason I am in favor of the substitute of the gentleman from Arizona, because it does not leave them any discretion at all. [Applause.]

It at least lays down as a fundamental law that they shall not permit the railroads to carry traffic as they do. For instance, in the town I live in, my town enjoys this preferential rate; they bring freight from St. Louis down to West Point, Miss., and then entirely across the State to Greenville for less than they will bring it from St. Louis over the same road to West Point. There is a hundred and odd miles that they haul that freight over for less than they would haul it to West Point. That is an economic waste. If they make a profit on the freight they bring to Greenville from St. Louis through West Point, then they are charging too much to the people of West Point, a hundred and odd miles away, through which town they pass. If they are not making a profit on what they haul to Greenville, then they are making up that loss by overcharging the people in West Point. That ought not to be permitted, but it will be permitted just as long as the Interstate Commerce Commission is given any discretion in the matter. The only possible way for the people who do not live on the banks of rivers to get any benefit from river improvement, from the money taken out of the common Treasury to improve the rivers, is to forbid the Interstate Commerce Commission to give these preferential rates, and thereby prevent river transportation, and then levy an additional tax upon the citizens who live off of these rivers in the form of higher rail rates. The people who do not live on the banks of the rivers, or where they can get the river

transportation, would be better off if the Government refused absolutely to appropriate any money to improve any navigable waters, because they must pay their part of the tax, and the only result is that the railroads give these river competitive points preferential rates so low that they have to raise the rates on the rest of the people. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. ESCH. Mr. Chairman, I trust that the membership of the House will appreciate the force and effect of the amendment offered by the gentleman from Arizona [Mr. HAYDEN]. It is the same as the Poindexter bill, and its purpose is to take away discretion from the Interstate Commerce Commission to permit deviations from the fourth section. The result will be that the railroad traffic between competitive points will inevitably follow the shortest line. There are some situations throughout the United States, not confined to intermountain country but in the more thickly settled East, where one line is shorter than another. If we have a rigid fourth section it will result in throwing the traffic upon the shortest route. If you do that you add to the congestion in our terminals, and it is to avoid congestion that we are trying to relieve the situation.

One of the most complicated propositions of Federal control during the war was to avoid congestion at our terminals. This rigid fourth section under the amendment of the gentleman from Arizona will add greatly to the congestion of the traffic in certain centers of the United States. That is not all. If you compel traffic to follow the shorter line it will have to leave the more circuitous route. If it leaves it this circuitous route will get less of revenue, it will be harder for it to survive, and it will be a mighty easy way of killing the weaker lines, whereas under the fourth section as administered by the Interstate Commerce Commission with the right to allow departures the commission can permit a circuitous route to get a certain portion of the traffic to enable it to live and supply the villages and towns along its route. I take this position, that a rigid fourth section would be more revolutionary to the commerce of the United States than a flat increase of 25 per cent. Business is established in certain centers and with reference to certain traffic conditions. If you put in a rigid fourth section then these conditions would be undermined and the business throughout the East and manufacturing centers would be shaken to their very foundation. Gentlemen, this is a serious proposition, and I hope you will realize what a rigid fourth section means put into this bill by way of amendment. Then there is a situation as to water competition referred to in the amendment of the gentleman from Tennessee, not to allow departures because of potential or direct water competition. Gentlemen, for the last five years the Interstate Commerce Commission has not been allowing departures because of potential water competition, only because of direct competition, and it has allowed that in connection with our coast-to-coast traffic. Let me give you an illustration from the western country. Here is the Southern Pacific Railroad which has a line running from San Francisco to Portland, Ore. It has water competition along the coast. In order to meet that competition it has secured a rate from San Francisco to Portland that will enable it to get traffic. If it does not get such rate, if it can not meet water competition along the Pacific coast, it loses the through business from San Francisco to Portland. But under this rule allowing departures under the fourth section the freight rate from San Francisco to Eugene or Corvallis, in Oregon, south of Portland, is allowed to be made equal to the Portland rate, although that would mean that for a less distance the railroad charged the same as for a greater distance. And the people of Eugene and of Corvallis seem satisfied, because they say, "Unless we pay those rates the road can not maintain its existence and make its revenues and meet the water competition on the Pacific coast." This is but one of the numerous illustrations that could be cited.

Mr. RAKER. Will the gentleman yield?

Mr. ESCH. Not right now. I warn the representatives of the intermountain country that if a rigid fourth section is adopted they will have a larger freight burden put upon them than if the Interstate Commerce Commission be permitted to grant departures from a rigid fourth section. [Applause.]

The CHAIRMAN. The time of the gentleman from Wisconsin has expired; all time has expired. The question is on the substitute offered by the gentleman from Arizona [Mr. HAYDEN].

The question was taken, and the Chair announced that the yeas seemed to have it.

Mr. HAYDEN. I ask for a division, Mr. Chairman.

The committee divided; and there were—yeas 50, noes 97.

So the substitute was rejected.

The CHAIRMAN. The question is now on the amendment of the gentleman from Tennessee [Mr. SIMS].

The question was taken, and the Chair announced that the yeas appeared to have it.

Mr. SIMS. Division, Mr. Chairman.

The committee divided; and there were—ayes 65, yeas 101.

So the amendment was rejected.

Mr. SMALL. Mr. Chairman, I ask unanimous consent that the amendment I offered and is pending be now read.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SMALL: Page 55, after line 13 insert a new paragraph to section 4 of the commerce act to be known as (3):

"Where there is an existing line of water transportation, or one is proposed to be immediately established, it shall be unlawful for any railroad which operates between points competitive to said water line to reduce its existing rates with a view to meeting the difference between water rates and the rail rates, unless after full hearing the commission shall find that such reduction of rail rates is justified in the public interest. In determining the question of public interest the commission shall consider the rates charged by the water line as presumptively reasonable and shall also consider the advisability or necessity of maintaining increased facilities of transportation: And provided further, That the commission shall not permit any railroad to reduce its existing rates as between points competitive with the water line or lines unless such railroad maintain such reduced rates as the maximum at all intermediate points on all its lines between the points of origin and destination: And provided further, That the provisions of this section shall have no application to commerce through the Panama Canal."

The CHAIRMAN. The question is on the amendment of the gentleman from North Carolina [Mr. SMALL].

The question was taken, and the Chair announced that the yeas seemed to have it.

On a division (demanded by Mr. SMALL), the committee divided, and there were—ayes 60, yeas 92.

So the amendment was rejected.

The Clerk read as follows:

SEC. 407. The first paragraph of section 5 of the commerce act is hereby amended to read as follows:

"SEC. 5. (1) That, except upon specific approval by order of the commission as in this section provided, and except as provided in paragraph (15) of section 1 of this act, it shall be unlawful for any common carrier subject to this act to enter into any contract, agreement, or combination with any other common carrier or carriers for the pooling of freights of different and competing railroads, or to divide between them the aggregate or net proceeds of the earnings of such railroads, or any portion thereof; and in any case of an agreement for the pooling of freights as aforesaid each day of its continuance shall be deemed a separate offense: Provided, That whenever the commission is of opinion, after hearing upon application of any carrier or carriers, engaged in the transportation of passengers or property, subject to this act, or upon its own initiative, that the unification, consolidation, or merger by purchase, lease, stock control, or in any other way, similar or dissimilar, of two or more such carriers subject to this act, or of the ownership or operation of their properties, or of designated portions thereof, or that the pooling of their traffic, earnings, or facilities, to the extent indicated by the commission, will be in the interest of better service to the public, or economy in operation, or otherwise of advantage to the convenience and commerce of the people, the commission shall have authority by order to approve and authorize such unification, consolidation, merger, or pooling, under such rules and regulations, and for such consideration as between such carriers and upon such terms and conditions, as shall be found by the commission to be just and reasonable in the premises. The power and authority of the commission to approve and authorize the unification, consolidation, or merger of two or more carriers shall extend and apply to the unification, consolidation, or merger of four express companies into the American Railway Express Co., a Delaware corporation, if application for such approval and authority is made to the commission within 30 days after the passage of this amendatory act; and pending the decision of the commission such unification, consolidation, or merger shall not be dissolved.

"(2) The commission may from time to time, for good cause shown, make such supplemental orders in the premises as it may deem necessary or appropriate, and may by any such supplemental order modify or set aside the provisions of any previous order as to the extent of the pooling, or as to the rules, regulations, terms, conditions, or consideration currently moving in respect of any unification or consolidation of operation and not of ownership, or of pooling, so theretofore approved and authorized.

"(3) The carriers affected by any such order shall be, and they are hereby, relieved from the operation of the 'antitrust laws,' as designated in section 1 of the act approved October 15, 1914, entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' and of all other restraints or prohibitions by law, in so far as may be necessary to enable them to effect any unification, consolidation, merger, or pooling so approved by order under and pursuant to the foregoing provisions of this section."

Mr. SIMS. Mr. Chairman, I move to strike out the entire section.

Mr. HUDSPETH. Mr. Chairman, would a substitute be in order?

The CHAIRMAN. Does the gentleman from Tennessee desire to discuss the motion?

Mr. SIMS. I do.

Mr. HUDSPETH. Mr. Chairman, I have a substitute.

Mr. TOWNER. I desire to offer a preferential motion for the purpose of perfecting the paragraph.

The CHAIRMAN. The preferential motion will be voted on first. The gentleman from Tennessee [Mr. SIMS] can discuss his motion.

Mr. HUDSPETH. I have a substitute, Mr. Chairman.

Mr. SIMS. Mr. Chairman and gentlemen of the committee, this entire section should be voted out. It provides, first, for consolidation or mergers of existing competing railroads upon the approval of the Interstate Commerce Commission. Next, it provides for the pooling of earnings of competitive roads upon the consent of the Interstate Commerce Commission, and also for the pooling of facilities. And it winds up by repealing part of the Sherman antitrust law, which both Republicans and Democrats have so long regarded as political gospel.

Now, the bill begins, first, by allowing private companies to merge. This can not be done under existing law. The law against mergers has been decided favorably in several cases by the Supreme Court of the United States. This section repeals or nullifies the action of the Supreme Court in the Northern Securities case. It repeals or nullifies the decision of the Supreme Court in the Union Pacific case, which had consolidated with the Southern Pacific. It repeals what was necessarily required to be done as a result of the decision of the Supreme Court when the Pennsylvania Railroad Co., which owned almost the majority stock of the Baltimore & Ohio, had to dispose of it as best it could. The eggs of these several mergers had to be unscrambled. Now, after three great history-making decisions of the Supreme Court, sustaining the power of Congress and the wisdom of the policy adopted, forbidding private competing railroad companies to consolidate or merge or pool their earnings, we have a special statute as to pooling, that of specifically prohibiting it. I want to ask both Republicans and Democrats. Why do you desire upon the return of the railroads to their former condition and status, not only to their former condition and status as to physical condition, but providing for refunding their existing indebtedness to the Government and for loaning them any additional funds they may need, also to provide them with a statutory rule for rate making, so much desired by them, and in addition say, "God bless you; we will repeal and repudiate everything we have ever done heretofore that did have a tendency to bring about competition, or in any way had a tendency to prevent monopolistic combinations and consolidations."

The railroads admit there is practically no competition in rates now but claim there is competition in service. Now, you propose to get rid of even that little competition by allowing those who do now compete to consolidate and get rid of even having to be competitive in service.

Now, do you propose to turn over to the Interstate Commerce Commission or the President of the United States or anybody else discretionary power to annul long-established and approved American policy, upheld by decision after decision of the Supreme Court, by vote after vote in this body, and by acts of Congress too numerous to mention in detail? Because of war necessities it was thought proper and wise to temporarily take over and use the railroads for war purposes, paying them the highest compensation as a rental for the use of their property that upon an average they were able to make for themselves in the first three years of their existence.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. SIMS. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent for five minutes more. Is there objection? [After a pause.] The Chair hears none.

Mr. SIMS. My friends, let us do justice to the railroads, but let us also do justice to the people, the people who have got by taxes to provide the money needed for these refundings and loans and other financial favors. The people seemed too anxious to give the railroads back to their owners, but under former conditions, and these conditions meant with former limitations, with former regulations, with former antitrust laws, with the old antipooling laws. But, no, they are in the saddle, or are assumed to be. Give a railroad an inch and it takes an "ell," or it wants to take it. Are you going to bow down and worship the god of monopoly and wipe out all the good laws that it has taken years to enact and which was brought about by the votes of both sides of the House? Do you want to bring Government ownership to this country? If not, then do not do the very thing that forces the country to Government ownership. Do not give the roads who pretend to be competitively operated for the benefit of the whole people the right to get rid of the little service competition that is left.

Gentlemen were talking about the Baltimore & Ohio having the use of the Pennsylvania Tunnel under the Hudson River since war control. I was here when Congress passed the bill that authorized that tunnel for the Pennsylvania road to be built under the Hudson River. Did any Member or Senator from

Baltimore or Maryland propose that the privilege of tunneling the Hudson River should carry with it the condition that any other railroad wanting to use that tube would have the right to do so upon the payment of just compensation? Did the Representatives from New York in this House or in the State legislature propose any conditions to be imposed on that railroad company as to joint use of that tunnel? Did New York City in giving its consent provide that it should be permitted, upon conditions, that it should be subject to the use of any other railroad building its lines to and connecting with it upon just and reasonable compensation? Not a bit of it. The Pennsylvania Railroad seemed to have more influence in Congress at that time than any other interest in the whole United States. I tackled it when we were enacting legislation for building the Union Station here. I did my best in that legislation to give all railroads a fair provision for joint use of these terminals, inasmuch as we were paying millions of dollars out of the Public Treasury to bring about the abolition of grade crossings and permitting the tunneling of this Capitol Hill. I would rather have gone up against the whole united Republican Party strength in Congress at that time than against the influence of the Pennsylvania Railroad. I would have lost either way, as the House was overwhelmingly Republican. But when we finally had war control, temporarily, under the war powers, Secretary McAdoo ordered the Baltimore & Ohio trains to go through that tunnel, and they went.

Why did not Congress have the nerve to do it, as it had the right and power to do when authority for the building of that tunnel was asked for? Corporate influence has always had great power in Congress. They usually get everything they want and as long as they want it and as much as they want. Mr. Cowherd, of Missouri, an able man, then a Member of this House, and I filed a minority report and resisted to the last giving the railroads all they asked for, and especially in permitting the Pennsylvania to build a new bridge across the Potomac to take the place of the old Long Bridge and relieving it from the perpetual obligation to maintain a highway bridge across the Potomac for the use of the general public free of tolls in connection with and as part of its railroad bridge, which it was by law required to do in connection with its permission to use and operate the old Long Bridge, as it was called. But, with all the power we could exert in opposition, the Pennsylvania got all it asked for from the then complacent and yielding Congress; but I had supposed such complacency was a thing of the past. But, alas! and alas! history repeats itself.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. WINSLOW rose.

Mr. HUDSPETH. Mr. Chairman, I have a perfecting amendment to offer.

Mr. McCLINTIC. Mr. Chairman, I have a perfecting amendment.

The CHAIRMAN. The Chair will recognize the gentleman from Massachusetts, a member of the committee.

Mr. WINSLOW. Mr. Chairman, I feel that the gentleman from Tennessee [Mr. SIMS] in discussing this question has been living too much in the past. We have had great changes in the country in recent years, and from these changes we have learned new lessons. Changed conditions have sprung up, and more will probably arise hereafter.

We had presented to our committee some five or six plans suggesting legislation and bills for legislation. If my memory is accurate—and I hope it is—every one of them provided for some such provision as the one under discussion, speaking generally. There was very little opposition to the idea of this pooling arrangement. It came out in the testimony which was given to us that this country is honeycombed with roads of doubtful financial standing. That became apparent when the Government took over the control of the railroads as a war measure. We have laid out a plan of refunding which amounts in the case of many of them to the application of compound oxygen. But they can not live on oxygen alone. Its effect would wear out, and I have no hesitation in predicting that a great many of the roads of the country will have to be handled in some way other than by virtue of their own direction and their own power. A poorly managed and poorly operated railroad is a trouble to all the community which it seeks to serve.

It seems to me the opinion of the railroad men, and particularly the opinion of men connected with the smaller, weaker lines, of which there are many hundreds among the 2,000 railroads in the country, that their roads can be hitched on to a bigger system with the result that their stockholders will be saved in some measure in respect of their investment, and their clients will be better served, and the whole system of railroad-ing will be improved. The question of cost of service may be

problematical. One never can tell when a combination comes into force whether the cost of doing business will be more or less. But in this railroad proposition it seems to be quite apparent that where railroads have been brought together and doubtful lines have been hitched on to strong ones, no increases of service costs have been made, and many times such costs have been reduced. But even if continued at the same cost to the public, the advantage of being in connection with a good sound system which can be run along in a businesslike way would clearly be a great benefit to the public.

I do not think we will be breaking down the spirit of the anti-trust laws if we legislate as provided in this bill. Mergers and pooling can not be arranged unless approved by the Interstate Commerce Commission after hearings, where the community at large and everybody in interest will have an opportunity to be heard. I would consequently suggest to the members of this committee that they consider very carefully the merits of this provision, with a view to making the best railroad establishment possible for the country and providing means for taking care of so many of these weak roads, which will either have to be taken up and cared for or will have to go to pieces.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. SANDERS of Indiana, Mr. HUDSPETH, and Mr. TOWNER rose.

The CHAIRMAN. The gentleman from Indiana [Mr. SANDERS] is recognized.

Mr. SANDERS of Indiana. Mr. Chairman, I move to strike out the last word in the amendment of the gentleman from Tennessee [Mr. SIMS].

I believe that the provisions of this section constitute one of the very best parts of the reconstruction legislation. It was generally conceded throughout the country at the time this country engaged in war and at the time the President of the United States, under the authority granted to him, took over the transportation systems of the country that if it had not been for the restrictions placed upon the carriers, so that unified action could be had by the carriers themselves, the great necessity of taking over the carriers under Government control would not have existed. The operation of the roads under Federal control brought out some of the great disadvantages of control by the Government, but it also brought out clearly some advantages of such unified control; and when we are enacting this legislation, to bring back the roads under private control, we ought to be careful to keep as a part of the laws of this country all of the benefits which can be gained by unified control. There is nothing in this section which could work to the harm of the public, because it is not a grant of any absolute right of the privilege of merger. It only provides that whenever it is in the interest of better service to the public or economy in operation, or otherwise of advantage to the convenience and commerce of the people, that it shall be done. That is the answer to the suggestion of the gentleman from Tennessee, that it is wiping out all of the provisions of the antitrust laws. It is simply a permissive merger, a consolidation whenever in the opinion of the tribunal clothed with the authority of the Government to act in the premises it is found to be beneficial to the Government. It is not to be assumed that the Interstate Commerce Commission will permit a merger which will not be to the benefit of the public, when the mandate in the law says to the commission that it can only be permitted when it is of advantage to the public.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. SANDERS of Indiana. I yield to the gentleman from Virginia.

Mr. MOORE of Virginia. The gentleman knows, does he not, that the commission itself is of the opinion that it is very desirable to confer this power upon it?

Mr. SANDERS of Indiana. I am glad the gentleman from Virginia called my attention to that. Mr. Commissioner Clark, testifying before our committee, made this statement with reference to the change in the law:

This provision, Mr. Chairman, involves a substantial change in the governmental policy and would effect a substantial change in the policy of some of the States with regard to maintenance of every degree and feature of competition which is fostered by existing laws. It would make possible under private control and operation of the roads the utilization of many economies which would be possible under a unified control or the operation of all the roads as one system.

Two competing single-track lines between two important commercial centers might, under an arrangement made pursuant to this authority, be used as a double-track road for the carriage of through freight and for through-passenger service as well. Two single-track roads of that nature, or even a double-track road and a single-track road, one of which had adverse grades against the current of traffic and the other had them in the opposite direction, might be utilized to great economy by obviating the necessity of lifting the tonnage over the adverse grade. That would be especially true, for example, on roads moving a large tonnage of coal. The loads could be taken over the easier grade and the

empties taken back, with neither of them meeting the difficulties of the adverse grades.

There are many other considerations which move to the view that this would be a sound departure from present policy. Consolidations for operation and division of the traffic made under careful, reasonable, and open arrangements, approved by the commission, are not, as we think, antagonistic to the public interest, while it is to the public interest that every reasonable economy in operation shall be effected, because the expenses of operation must all be paid by the public.

That is the statement of Commissioner Clark on the subject, and he is, without question, one of the best authorities in America on any transportation problem. [Applause.]

Mr. TOWNER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TOWNER: Page 56, line 19, after the word "premises" strike out the period, insert a colon, and add the following:

"Provided, however, That notice of the hearing above provided for shall be given by the commission by publication in a newspaper of general circulation in each State in which any carrier affected thereby shall be located, at least 10 days before such hearing, fixing the time and place of such hearing, at which hearing the United States, any State, association of carriers, or the public may appear and be heard as to the granting of the proposed order of unification, consolidation, or merger."

Mr. TOWNER. Mr. Chairman, this is an amendment merely for the purpose of perfecting this section. I can think of no objection which could be made to it by the committee. Members of the committee will understand that the provisions regarding any action by the Interstate Commerce Commission as to any consolidation or merger shall be taken as the language of the provision is "after hearing." Now, there is no provision with regard to notice of such hearing. There is no statement as to who has the right to appear at such hearing. This amendment which I have offered provides that notice shall be given so that any person whose interests may be affected may have knowledge that such hearing is to be granted. It also provides that the United States, if its interests shall be affected, or any State, or any association of carriers, or the public, shall have the right to appear at such hearing and either oppose or modify, or make such showing as they desire.

Mr. DICKINSON of Missouri. Will the gentleman allow me to ask him a question?

Mr. TOWNER. I gladly yield.

Mr. DICKINSON of Missouri. Is not your time of notice, 10 days, too short? Ought it not to be longer, say 30 days?

Mr. TOWNER. I have made the time short because of the fact that in certain cases I suppose that haste may be needed, and I thought that if this notice was given in this way, throughout the entire section, or through all of the States in which the railroad ran, it would be sufficient notice; and, of course, as the gentleman from Missouri well knows, if the parties having notice of the fact of the hearing should desire further time it will be granted.

Mr. MONTAGUE. Will the gentleman yield?

Mr. TOWNER. I yield to the gentleman from Virginia.

Mr. MONTAGUE. I will ask the gentleman what is the necessity or desirability of having the United States a party? It is before a tribunal of the United States.

Mr. TOWNER. It does not require the United States to be a party. It only gives the United States the right to appear if it desires to do so.

Mr. MONTAGUE. Does not the gentleman think there would be one trouble with the Interstate Commerce Commission, in making it analogous to a court, of having too much procedure and having too much loss of time?

Mr. TOWNER. I do not think that can be a reason why notice should not be given. I think the reason will appeal to the gentleman. In the first place provision is made for a hearing. Now, if the hearing shall be only between the roads affected thereby, and if the public is not given an opportunity, and shippers are not given an opportunity to be heard, it will only delay the final proceeding.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TOWNER. I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. TOWNER. Because of the fact that an application will be made to set aside the hearing, and for a chance to be heard regarding it, I think the provision for notice will save the time of the Interstate Commerce Commission, the carriers, and others affected by the result. If they have no notice whatever of the hearing and no opportunity to be heard, it will, in my judgment, prove very unfortunate in many respects.

This proposition to set aside the established rule with regard to pooling, and with regard to consolidations and mergers, is certainly of sufficient importance so that if a hearing is to be granted at all it should be upon such notice and with such privilege of being heard as will make the final determination, at least, not subject to the criticism that the parties did not have an opportunity to be heard.

Mr. ESCH. Mr. Chairman, I do not know as I will object to having the hearing conducted in accordance with the suggestions in the amendment, but it occurs to me the amendment is broad enough to cover questions in relation to the pooling of traffic, and it is easy to conceive that such pooling ought to be expeditiously done in order to meet certain conditions of certain kinds of traffic, seasonable traffic, and things of that kind. To strait-lace the proposition by requiring notice to be given to all parties in interest might be one of the things that would take out of this section some of the merits that we believe are contained therein.

The CHAIRMAN (Mr. MADDEN). The question is on the amendment offered by the gentleman from Iowa.

The question was taken; and on a division (demanded by Mr. Esch) there were—ayes 27, noes 38.

So the amendment was rejected.

Mr. McCLINTIC. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. McCLINTIC: Page 57, line 4, after the word "dissolved," insert "provided that nothing in this act shall take from State commissions jurisdiction over the settlement of questions relating to the joint use of depots by carriers, and no carrier shall be allowed to discontinue the use of a depot in connection with another carrier until proper application has been made and approved by the commission having jurisdiction."

Mr. ESCH. Mr. Chairman, I make a point of order against the amendment, because it is the identical proposition that has been acted upon, and I also make the point of order that it is not germane to the paragraph in this section.

The CHAIRMAN. Does the gentleman from Oklahoma want to be heard on the point of order?

Mr. McCLINTIC. Yes, Mr. Chairman. The other amendment I offered conferred jurisdiction on the Interstate Commerce Commission. When I offered that amendment the chairman of this committee stated that, in his opinion, the State commission had jurisdiction over the joint use of depots. That being his understanding, I immediately asked unanimous consent to withdraw the amendment, as I am in favor of giving to the State commissions jurisdiction over these questions which are nearest to the people.

The section says:

That whenever the commission is of opinion, after hearing, upon application of any carrier or carriers, engaged in the transportation of passengers or property.

That being the case, an amendment to this section would be germane, because it is an amendment that deals with the carrying of passengers. The friends of all State commissions are interested in knowing whether or not they have jurisdiction over the question that I have brought to the attention of the House. It is for that reason that I have offered this amendment. If the language of this section which refers to carriers means anything at all, then the amendment to the section would be germane which deals with railroad stations and depots. That being the case, I can not see how the chairman could rule that an amendment of this kind would be out of order when it relates directly to the subject matter of the section.

The CHAIRMAN. The Chair sustains the point of order.

Mr. HUDSPETH. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amend page 57, line 23, by striking out the period and inserting a semicolon and the following: "provided that nothing in this act shall relieve or exempt any carrier or express company from obedience to the constitution and antitrust laws of the State of its creation, or in which it may operate."

Mr. SANDERS of Indiana. Mr. Chairman, I always enjoy hearing an argument from the gentleman from Texas [Mr. HUDSPETH], and particularly when the question involves what he construes to be an invasion of State rights. He has made reference to some testimony here when Mr. Wheeler, of the Chamber of Commerce of the United States, was on the stand. Mr. Wheeler was advocating Federal incorporation. In the very able speech made by the chairman of this committee at the beginning of the consideration of this measure it was stated by him that our committee had rejected Federal incorporation entirely, and the reason that those questions were asked Mr. Wheeler was for the purpose of disclosing the fact that the real reason and the real desire on the part of those advocating

Federal incorporation was to have a Federal corporation in order that all of the States' rights in respect to rates, and so forth, might be obliterated.

The gentleman from Texas grows very eloquent upon the question of granting to the Interstate Commerce Commission the control of rates. There is not anything in this provision with reference to rates, and the gentleman ought to be aware of the fact that the Interstate Commerce Commission has charge only of interstate rates.

Mr. HUDSPETH. The gentleman will not deny that in the bill there is a question as to whether or not the State commissions can make rates intrastate.

Mr. SANDERS of Indiana. There is no question about the right of the States to regulate intrastate rates.

Mr. HUDSPETH. In this bill there is a question of merger and consolidation.

Mr. SANDERS of Indiana. Upon the question of merger and consolidation this provision of law is simply to permit the unified control of the transportation systems of the country, whenever that is desirable in the public interest. The railroads of the country are not confined to any one State. All of the railroads in Texas are under corporations organized in Texas.

Mr. HUDSPETH. All except the Texas & Pacific, which is organized under the laws of the State of New Jersey.

Mr. SANDERS of Indiana. And I think that technically, so far as it relates to Texas, that railroad is incorporated under the Texas law. But because of that fact, that does not affect the question of interstate commerce. That great State is pierced by roads running from every other State in the Union, carrying freight and passengers into it. This great transportation question is not a State question. It is a national question, and the question of unified control of our transportation system so far as it relates to emergencies and the pooling of traffic and earnings and other facilities is a national question entirely. Is it possible that the gentleman from Texas would say that you can not undertake to permit a merger or a consolidation or a joint agreement with reference to roads that run through the State of Texas and run across the continent? If you find that road is going to pierce the State of Texas, everything must be stopped because of some law in the State of Texas.

Mr. HUDSPETH. My amendment does not prohibit that. It simply makes them observe obedience to the laws of the States with reference to these matters in the States.

Mr. SANDERS of Indiana. In other words, the gentleman would have the roads go to the Interstate Commerce Commission, present their case, get consent of the commission, and then, perchance, because the lines cross the State of Texas, all of these questions of operation will have to be held up, all of the arrangements would have to be stopped until these railroads from the several States went down to the State of Texas and got the consent of the Texas Legislature, or the Texas commission, whichever it is. The gentleman has spoken frequently of the people in Texas being compelled to come to Washington for relief, and yet he advocates with great earnestness a situation that would compel practically all of the States and the carriers in the different States to go to Texas because the road in some way affected the State of Texas. I think the amendment ought to be defeated. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. RICKETTS. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Ohio.

Mr. RICKETTS. Mr. Chairman and gentlemen of the committee, I am opposed to the amendment offered by the gentleman from Washington [Mr. WEBSTER] and will vote against it. I shall vote for what is known as the Sweet amendment, introduced by the gentleman from Minnesota [Mr. ANDERSON].

The amendment of the gentleman from Washington, if adopted, would strip labor of the last vestige of defense in the enforcement of its rights. It would bind labor hand and foot. It would hang a millstone about the neck of labor which would most certainly eventually drag it down to the level of slavery. It would destroy the principle of collective bargaining and force compulsory arbitration.

I have the honor to represent a constituency consisting in part of several hundred railway employees. I know many of them personally and all of them in a general way. They are honest, sincere, and industrious. Many of them own their own homes. They are true and loyal American citizens in every sense of the word, and I shall not vote for any legislation in this House that, in my judgment, will imperil their future in any manner whatsoever.

Gentlemen, there is an erroneous opinion prevalent throughout this country with reference to the right to strike. That greatest of great Americans, the late beloved and revered President Theodore Roosevelt, in his message to Congress on March 25, 1908, among other things, said:

It is important that we should encourage trade agreements between employer and employee where they are just and fair. A strike is a clumsy weapon for righting wrongs done to labor, and we should extend, so far as possible the process of conciliation and arbitration as a substitute for strikes. Moreover, violence, disorder, and coercion, when committed in connection with strikes, should be as promptly and as sternly repressed as when committed in any other connection. But strikes themselves are, and should be, recognized to be entirely legal. Combinations of workmen have a peculiar reason for their existence. The very wealthy individual employer, and still more the very wealthy corporation, stand at an enormous advantage when compared to the individual workman; and while there are many cases where it may not be necessary for laborers to form a union, in many other cases it is indispensable, for otherwise the thousands of small units, the thousands of individual workmen, will be left helpless in their dealings with the one big unit, the big individual or corporate employer.

Twenty-two years ago, by the act of June 29, 1886, trades unions were recognized by law, and the right of laboring people to combine for all lawful purposes was formally recognized, this right including combination for mutual protection and benefits, the regulation of wages, hours, and conditions of labor, and the protection of the individual rights of the workmen in the prosecution of their trade or trades; and in the act of June 1, 1898, strikes were recognized as legal.

President Roosevelt always showed sympathetic interest in the welfare of the wage earner. He believed in justice to all mankind, and I think that is the feeling of every Member of this House. Justice and fair dealing to the laboring men of this country would go a long way toward eliminating forever any such a thing as a strike.

Why is it that John D. Rockefeller, jr., who employs hundreds of laboring men constantly, never has any trouble in adjusting wage differences between him and his men? It is because he is big enough, broad enough, and fair enough, to give to his men a fair wage, commensurate to the service rendered.

Why was it that the late Senator Hanna, in his lifetime, never had a strike among his men? It was because he too was big enough, and broad enough, and fair enough to give to his employees a just wage. [Applause.]

I want it distinctly understood that I have no respect for the agitator, or the Bolsheviki, or the soviet, or the I. W. W. If I had my way about it, I would either deport every one of them, or send them to the penitentiary for life. There should be no red tape in dealing with foreign agitators, who are entirely out of sympathy with American thought, who take advantage of our liberty only for the purpose of destroying it. [Applause.]

I am opposed to radicalism, but I do most solemnly believe in conservatism, and the conservative laboring men of this country should be protected by the strong arm of the law. I believe in voluntary arbitration and conciliation, and that the right to strike should be exercised only as a last resort.

I further believe it to be the solemn duty of union labor to keep its contracts, and to see to it that the terms and conditions thereof are fully carried out.

However, I am convinced that the criticisms lodged against the brotherhoods of railway men, and members of the railway union organization, that they have broken their contracts and gone on strikes without any reason or excuse, is absolutely unfounded. They keep their contracts, and live up to the terms thereof, and I resent most keenly such criticisms.

No more loyal or patriotic men ever lived than the railroad men have been during the Great World War. They have not murmured or complained, but they have been willing to do all within their power to promote the cause of this Government, and to minister to the wants of the people generally, in discharging their duties in relation to the great railroad systems of this country. Their work is hazardous, and their responsibility is great. In fact, no class of men employed in any line of labor anywhere in the country has a greater responsibility than the railroad men of the country.

Mr. Chairman and gentlemen of the House, for some time past I have been anxious to secure time to address you with reference to the coal miners.

In view of the fact that both the press of the country and a few Members upon the floor of this House have relentlessly criticized the coal miners of the country and imputed to them the commission of many unlawful acts, I feel that it is my duty as a Member of this House, who has the honor to represent several thousand coal miners in the counties of Perry and Hocking of the eleventh congressional district of Ohio, to present to this House some facts in relation to the present mining situation that have come under my own personal observation.

First, I want to say that many of the criticisms heaped upon the miners are unjustifiable and emanate from sources not in touch with mining conditions in this country. Before a man has the right to criticize his fellow men touching any industrial controversy he should be in possession of the facts necessary to a clear conception of the conditions surrounding such industrial controversy.

Very few men in public life understand miners, mine workers, and mining conditions. Fortunately for me, I have had a personal experience in the mine, and I know personally the mining conditions in the district which I have the honor to represent. I have no quarrel with the press or with any Member of this House who offers a just criticism, but, as one coming from a mining district and who as a boy was engaged in the mining industry, I would be doing violence to my conscience and to my constituency if I did not raise my voice and protest against any unjust criticism that may affect the reputation, thought, purpose, and ideals of the miners of this country. I am not personally in touch with mining conditions generally and am not therefore qualified to speak with reference to these matters from a personal standpoint, but I do know the miners and mining conditions of the district which I represent.

And I want to say further that both Perry and Hocking Counties, to which I have above referred as a part of the district which I have the honor to represent, are among the largest coal-producing counties in the great State of Ohio. Several thousand citizens of these two counties are engaged in the coal-mining industry.

There are, of course, some foreigners engaged in mining in the district, but my conservative judgment is that 90 per cent of the miners of the district are American citizens, many of whom own their own homes, and all of whom are honest and upright citizens, who stand firmly for American principles, who are loyal to American institutions, and who are willing to make any sacrifice that may be required of them to uphold, support, and maintain this American Government and all for which the American Government stands. During the Great War they subscribed cheerfully and liberally to each and all of the five bond issues floated by this Government in order to support and maintain the Government and the American Army. They oversubscribed the war chest and all other war activities. And, I am glad to say further, that the 10 per cent of foreigners engaged in this industry in my district were likewise patriotic and loyal to the American cause at the time of its greatest crisis. [Applause.]

These laboring men are 100 per cent American, and I am proud of every one of them. They are lovers of both home and country. They are devoted to their families. They have been truly patriotic in every particular. They believe in law and order. They are industrious and frugal and never miss a day's work when the mines are in operation. When the mines are idle they seek work in other lines, wherever they can obtain it, for the miner's income is such that he can not afford to be idle. They are compelled to work constantly in order to keep their families and maintain their households. I know from my own personal knowledge that during the past 10 years the miners of southeastern Ohio have only been employed a little more than half of the time. Everybody knows that the year 1917 was a banner year in mining operations, and the average time for each miner in Perry County, as shown by statistics, was 208 days in that year. The miners of Hocking County averaged about the same time.

Under an agreement made in New York City between the miners and operators, to take effect April 1, 1916, 64 cents per ton was agreed upon as the scale price for the pick miners. The machine miners were to receive 52 cents per ton, and the day laborers were to receive \$3 per day, and this agreement was to continue in full force and effect until April 1, 1918. In the meantime the war intervened. Operators found themselves losing their employees. Their men were either being drafted or enlisting in the Army or going into other industries. Something had to be done. The demand for coal had greatly increased, and labor was vitally important to the operators and mine owners. Consequently, a second agreement was made in New York City on April 16, 1917, between the miners and operators, under which an increase of 10 cents per ton was allowed to both pick and machine miners and the day laborers were increased 60 cents per day. This made the rate of mining coal then 74 cents per ton for pick mining, 62 cents per ton for machine mining, and \$3.60 per day for day labor.

In October, 1917, the United States Fuel Administration, the operators, and miners made a supplemental agreement in Washington, D. C., extending the time of the last contract to cover the period of the war, or not later than April 1, 1920, at which time pick miners and machine miners were each given a second increase of 10 cents per ton and the inside day

laborers were to receive \$5 per day. The outside day laborers received a less sum. Men of ordinary occupation received more than \$5 per day.

The following clause appears in the supplemental agreement made in Washington, D. C., in October, 1917:

This agreement is subject to and will become effective only on condition that the selling price of coal shall be advanced by the United States Government to cover the increased cost in the different districts affected, and will take effect on the first day of the pay period following the order advancing such increased price.

It is the claim of the miners and mine workers that under this clause of the supplemental agreement they were bound to carry out the wishes of the Government in relation to the mining of coal, but that the United States Fuel Administration abrogated the Government restriction as to the mining and sale of coal in February, 1919, and that the operators immediately advanced the price of coal and have required the miners to continue to mine coal at the same old price, without any increase whatsoever. The pick miners are to-day receiving 84 cents per ton. The machine miners are now receiving 72 cents per ton. The total increase to the pick miners since 1916 has been 29 per cent and 38 per cent to the machine miners, and the day men have received an increase of 68 per cent.

Now, then, the total cost of a ton of coal to the operators under the Government agreement, f. o. b. cars at the mine, was \$1.34, and the operators were given the right to sell that same coal at \$2.45 per ton f. o. b. cars at the mine.

The difference between the 84 cents per ton for pick mining and 72 cents per ton for machine mining and \$1.34 per ton represents the overhead charges paid by the operators for mining 1 ton of coal.

The operators were selling their coal in the markets in Indianapolis just prior to the strike on November 1, 1919, at \$6.50 per ton. Coal in the State of Ohio was selling in the market for the same price. I purchased 7 tons of coal from a jobber for domestic use in my own home in October of this year at 13 cents per bushel, which is \$4.50 per ton, and I am within 20 miles of the coal field.

The sentiment of the public is against the miners. They have been criticized severely by the public, but if the people will stop and consider, and use just a little elementary mathematics, they will discover that the coal miners of this country are not getting the money; that the high price of coal in the wholesale and retail market is not due to the price paid the miners for mining the coal, but that the operators and coal brokers are the profiteers in the premises. They are the fellows who are swelling their bank accounts. They are the men who are imbued with a greed for gold. Hundreds of men engaged in the coal business, who were comparatively poor prior to the war, are now immensely wealthy, but the coal miners of the country are still barely able to live. The high cost of living has almost crushed them. The profiteers of the country are reaping the greatest harvest in the history of the world, and they are responsible to a great extent for the agitation, the unrest, and the industrial disturbances of the country. [Applause.]

Mr. Palmer, the Attorney General, has stopped the strike of the coal miners by injunction, because it was a violation of law for the miners to strike at this time, and I fully agree that the strike at this time was in violation of law, but it is also a violation of law, under this same act, known as the Lever Food and Fuel Control Act, to profiteer, and I sincerely hope that the Attorney General will use the same vigilance in enforcing the law against the profiteers that he has used in enforcing the law against the miners. [Applause.]

The armistice was signed on November 11, 1918, and the mines throughout the country were immediately closed down, and for fully six months thereafter the miners were idle. Many of them—quite a large number of them—had purchased Liberty bonds on the installment plan, and by reason of this idleness were unable to meet their payments. They have simply lived from hand to mouth from that day until this. Why? Because the operators throughout the country decided to close down the mines after the armistice was signed and keep them closed until the surplus coal then on hand should be exhausted by consumption, and in this manner reestablish the high price for coal existing prior to the regulation of coal prices by the Government.

It should be borne in mind that under the contract which went into effect November 1, 1917, between the miners, operators, and the Fuel Administration on the part of the Government, the price to the miners for mining coal and to the operators for selling coal was fixed by Government regulation through the Fuel Administration.

In February, 1919, the Fuel Administration by proclamation abrogated all price restrictions. Notwithstanding this fact, the miners continued to mine coal for the price as fixed by the fuel administrator up to November 1 of this year, when the

strike was declared, while the operators continued to sell coal at such prices as they saw fit to fix.

As a general proposition, it is conceded that there are two sides to every question, and there are two sides to this question. However, the strike on November 1, 1919, was ill timed and ill advised, for, under the broad authority given to the President under the Constitution and the law of the land in war time, the late war is not at an end until the President issues a proclamation of peace. The President in his statement of October 2, 1919, among other things, said:

It is proposed to abrogate the agreement as to wages which was made with the sanction of the United States Fuel Administration, and which was to run during the continuance of the war, but not beyond April 1, 1920. This strike is proposed at a time when the Government is making the most earnest effort to reduce the cost of living and has appealed with success to other classes of workers to postpone similar disputes until a reasonable opportunity has been afforded for dealing with the cost of living.

The President further said:

The strike under these circumstances is not only unjustifiable, it is unlawful.

His conclusion is predicated upon an interpretation of the Lever food and fuel control act, which was passed by the Sixty-fifth Congress, which was a war measure, and I fully agree with the President that, under the provisions of that act, it would be unlawful to strike until peace was declared, or until the original contract between the miners, operators, and the Fuel Administration should end, on April 1, 1920. I can further understand clearly that the convention of the United Mine Workers of America, held in Cleveland, Ohio, on September 23, 1919, under a misapprehension of the law, declared that all contracts in the bituminous field should be declared as having automatically expired November 11, 1919.

Of course, the conclusion reached by the heads of the United Mine Workers of America in this convention was, no doubt, inspired by the late message of the President to Congress, requesting the lifting of the war-time prohibition ban on light wines and beers for the reason that the war was over. These conclusions in no way contradict, in the slightest degree, the right of the miners and mine workers to a fair and equitable adjustment of their rights, growing out of a disagreement between the miners and operators, as to the wage scale.

The capital of the wage earner is his labor. It is his stock in trade, and the source from which he receives his dividends, and the laborer is worthy of his hire. He is entitled to a just, fair, and reasonable compensation commensurate to the services rendered. The miners and mine workers are men engaged in honest toil, earning a living for themselves and their families by the honest sweat of an honest brow, and they are entitled to an honest return for the labor thus performed. The truth is that there should be more of a community of interest between capital and labor; that there should be more of good fellowship and a substantial brotherhood between them. [Applause.]

In the industrial affairs of this Nation three classes of people are equally concerned. First, capital; second, labor; and third, the general public. Capital can not accomplish anything without the assistance of labor. Labor can not exist without capital. And neither capital nor labor can succeed without the general public. Each is interdependent upon the other, and the time has come in the industrial affairs of this Nation when there should be a more definite and fixed understanding between these three classes of our citizenship.

Some people object to collective bargaining and deny the right to strike where a disagreement arises between the parties as to wages. Our distinguished and revered late President McKinley, our beloved and distinguished late President Theodore Roosevelt, our eminent and distinguished late Senator Hanna, and our present President Woodrow Wilson, with other great men of this Nation, as well as many prominent men of other nations, all recognize the principle of collective bargaining and the right to strike. The position taken by these eminent statesmen is supported by the act of June 29, 1886, in which trade-unions were recognized by law, and by the act of June 1, 1898, wherein strikes were recognized as legal. However, under present conditions, the right to strike should be carefully considered and cautiously exercised, in the interest of the people of our own Nation and in the interest of the welfare of this country at this critical time in our national history. This is a time, if there ever was a time, when the American people should be united.

Our citizenship is to-day divided into class organizations. We have the organization of capital, the organization of labor, the organization of farmers, the organization of mechanics, the organization of clerks, the organization of railway employees, the organization of Government employees, the organization of

dentists and physicians, the organization of teachers, the organization of undertakers and embalmers, the organization of barbers, the organization of bricklayers and masons, the organization of postal clerks and postal employees, and the carpenters' union. There are in all about 112 different organizations.

Of all the organizations above named, I am convinced that the employment of the miners is one of the most dangerous and hazardous occupations known to man. He is surrounded with danger upon every hand. Not only is this true, but his work is onerous and arduous. He comes out of the mine with his clothes wet and his body black with grease, dirt, and grime. Colds, pneumonia, and consumption are prevalent among the miners, by reason of their exposure, both in and out of the mine. I have seen them on their way home from the mine when their clothes were frozen on their bodies. Many of them work in water half knee-deep, and in foul and noxious air, and many times they are compelled to work in low coal, where they are compelled to double up like a jackknife.

They are always exposed to the danger of gas and dust explosions; to the falling of slate and coal; to drowning; to electrocution; to mine damps; to fire; and to being mangled by dangerous machinery. Yet many people think the coal miner has an easy task. The truth is, he takes his life in his hands the minute he enters the shaft or the mouth of the mine. His toil and labor and service is an industrial necessity. Without it, the whole industrial network of the country would be greatly imperiled. In performing his duty as an industrial factor, he is shut off from God's sunlight, from the sweet song of the birds, and from nature's refreshing air. His lot is, indeed, a hard one, and his annual income is meager, but he is one of the most important factors in the industrial world. I believe in fair play, both to capital, to labor, and to the people, and I am one Member of this House who will stand firmly at all times for a just, fair, and commensurate wage to the American miner and the American laborer. [Applause.]

Mr. O'CONNOR. Mr. Chairman and gentlemen of the committee, at the proper time, if some gentleman of the committee does not make the motion, I intend to move to recommit this bill. With all deference to the splendid gentlemen who served upon the committee so untiringly and so unceasingly, with all due respect to their patriotism and their desire to serve the public interests, I do not believe that this bill represents the best thought of that committee. I do not believe if it passes this House in its present shape that it would represent the best thought of this House. The bill is entirely too long to express any great governmental truth. You can stick the Lord's Prayer and the Sermon on the Mount in one of its paragraphs. I heard some one say here the other day that it came like Richard the Third into the world, untimely. There is no question that it was hurried in here under the extraordinary conditions that prevailed in this country, conditions that were accentuated and exaggerated so as to render and give them the appearance of turbulence, in order to hasten and bring about, in my judgment, an unfair judgment from this House. I do not believe that this condition would have ordinarily existed if it were not for the purpose of arousing a hostility which never should have been brought into existence at this time. I do not mean, Mr. Chairman and gentlemen of this committee, to compare the tremendous and dominating interests of this country to burglars, but I do know that years ago in the city of New Orleans when any big burglar stunt was to be pulled off it was the custom to set fire to the steamboats on the Mississippi River in order to detract attention from the fellows who wanted to break into the big jewelry stores and banks. It may not be an apt illustration, but when we view the conditions of the recent past and understand them, in all probability it was for the purpose of putting a whip upon the House, hurrying us beyond reason and judgment, and I felt that I should get on this floor and express myself in opposition to the further consideration of this bill. Mr. Chairman, in the desire of this committee—and I know it was conscientious, and I believe it was true to the lights it had before it on this subject—to avoid the whirls of Charybdis they have gone on the rocks of Scylla. In order to avoid Government ownership they have placed the railroad employees and all persons and activities interested, under the heels of the Interstate Commerce Commission. Why, I have heard men stand on this floor and speak as if it were necessary to adopt any measure, however tyrannical and unjust, oppressive and unfair, in order to escape Government ownership. One would believe that our schoolhouses, churches, and all institutions that make for liberty and freedom were about to go in the event such a thing as Government ownership came to pass in this country.

Why, if the people ever want it they ought to have it. It is their Government and their country and, right or wrong, they

are entitled to the instrumentalities they desire and to express their will industrially, commercially, and otherwise. [Applause.]

The CHAIRMAN. The time of the gentleman from Louisiana has expired; all time has expired.

Mr. HUDDLESTON. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Louisiana spoke in opposition to the pro forma amendment.

Mr. BRIGGS. Mr. Chairman, I move to strike out paragraph 3, page 57.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BRIGGS: Page 57, beginning with line 14, strike out all down to and including line 23, page 57.

Mr. BRIGGS. Mr. Chairman and gentlemen of the committee, there can be but one purpose, it seems to me, in putting this provision in the bill authorizing the suspension of the Sherman Antitrust Act by the Interstate Commerce Commission. It is to provide for the unification of all the railroad systems in the United States and to destroy the competition that has heretofore existed among those roads prior to the time that they went under Government control. And I think I am entitled to fairly conclude that because of the trend of the Interstate Commerce Committee's action as indicated throughout this whole bill. Everywhere it seeks to strike down the power of the States and place all the power of regulation in the hands of the Federal Government. The bill itself, in my opinion, is one that will not be accepted by the American people as a solution of these great railroad problems. And Members of Congress will yet hear from them when they learn that in this bill the railroads of this country are given a premium, a subsidy, to increase rates, instead of lowering them; that it takes away from the people of this country an opportunity to freely develop the vast areas that have no roads within them; that they can not even build a mile of interstate railroad without the consent of the Interstate Commerce Commission, with a tremendously complex and difficult means of approaching that end. This bill prohibits the States, apparently, from having scarcely any say so about the continued operation of the railroads, by saying that practically everything that touches and might be construed indirectly even, as affecting interstate commerce shall be under the control of the Federal Government. And to make it sure, the Sherman antitrust law is practically suspended at the will of the Interstate Commerce Commission.

That is what this statute does. It leaves no chance any more among the people to complain of roads that stifle competition.

The people are sick and tired of centralization of so much authority in Washington in many matters, but in none more than in the case of the railroads. Shippers, whether farmers, merchants, business men, or of whatever field of industry, can not come to Washington, or afford to employ others to do so, in order to appear before the Interstate Commerce Commission to secure relief or redress every time they encounter difficulties and trials in their relations with the railroads.

By far the greater part of the troubles which arise can be far better cared for by the State railroad commissions, with their intimate knowledge of local conditions, than will ever be possible through the medium of the Interstate Commerce Commission, with even the aid of examiners. Justice in many cases will never be dispensed, because of the expense and difficulty in bringing cases of lesser concern to the attention and consideration of the Federal commission and organization. The enlargement of railroad systems is also removing further and further from the people those who are in sufficient authority to act upon promptly and justly meritorious complaints. Everything, even under the present Government control, encounters in its disposition innumerable delays; and it is because of such a vast organization that such delays are inevitable, and often disastrous, so far as giving relief from situations that require prompt and effective action. Matters that ought to be capable of adjustment at home now must come to Washington, and that discourages at the start the quick and satisfactory disposition of simple questions.

The holding of the Supreme Court of the United States in the Shreveport rate case, 234 United States, 342, has, it is true, vastly extended the control of the Federal Government over commerce that for more than a hundred years was thought to be subject to regulation or control by the several States alone, and that holding, with, in my opinion, an extension thereof, is carried into the provisions of the pending bill. Why, I do not know, unless to create further limitations upon State authorities, or, at least, to prevent the Supreme Court in the future from ever

changing its construction of the Federal laws under which the Interstate Commerce Commission acted in that case.

But the present bill exceeds in the extent of its assertion of Federal power and control over the railroads and their construction and operation anything that has ever gone before, except under the present statute providing for war-time control. And in my opinion it will not solve the problems before us.

Has Federal control been a success in the times of this war? You know it has not. Why is it that you are turning the roads back now? Because you know the people are impatient and dissatisfied over the enormous losses they are compelled to pay, the abominable service, the restrictions and annoyances to which they are subjected, and the waste that has obtained under Government operation of the railroads. Unification has not meant economy. It has not fulfilled the promise that was given to the public, and which they were led to believe might exist under such operation.

One of the reasons why this Congress and the people of the United States oppose any such plan as the Plumb plan, and one of the reasons why I oppose it, too, is because it is saddling on the people of this country Government ownership with all its loss and waste and enormous expenditure already requiring, with greatly increased freight and passenger rates under Government control, the people to pay a loss of over \$600,000,000. Of course, that is not all that the Plumb plan does. It does more than that.

It requires the people of the United States to raise by new issues of bonds and taxation an estimated sum of \$20,000,000,000 to buy the railroads of this country, when the credit of the Nation is already severely tested; and then it sets aside one-half of the so-called net earnings of such public revenue, derived from freight and passenger returns, which are to be paid out as dividends, without an equal distribution among all the people of this land. I do not believe the people of this country will ever accept the Plumb plan; I do not believe it is in the interest of labor; I do not believe it is in the interest of any other class or group of people in the United States. I am confident its adoption would involve the Nation in financial and industrial disaster, and that both labor and the people generally are best served by its rejection.

And I am against this present bill reported by the committee as it is written now. It has been pressed for passage too soon after being reported, without giving the people time to become acquainted with its provisions. I do not believe the bill will accomplish anything in behalf of the public of the United States. It gives all to the railways and nothing to the people. It makes no promise of any substantial relief from existing conditions for a long time to come; it pays the railroads to increase rates, and, as I have already indicated, increases centralized control in the Federal Government and decreases State powers until there is very little left of the regulatory functions that the States were accustomed to exercise prior to the time the railroads were taken over by the Government of the United States. It is true that in the Committee of the Whole House we have added some amendments that will restore for a time some of the State powers that were taken away by the original committee bill, and that by the Denison amendment the Government is enabled to set off what the railroads owe it, as against what the United States owes the railroads, leaving only a balance of \$250,000,000, owing by the railroads, to be carried for 10 years, instead of about \$750,000,000 planned by the original bill, aside from the \$250,000,000 loan of a revolving fund. But in spite of such beneficial amendments, the remaining objections to the bill are too serious to permit me to support this measure in its present form, although I favor the immediate return of the railroads to their owners.

The Anderson amendment, which has been adopted by the committee for the labor-dispute provisions in the committee bill, offers a similar plan of adjustment of differences to what is now in use under Government control, and which has apparently aided greatly in avoiding strikes. Through it mediation of questions can be taken by boards of adjustment provided for by law, and disputes be settled by agreement, without recourse to drastic measures that up to this time seem neither wise nor necessary, and which threaten industrial and economic chaos. All possible support must be afforded the conservative leaders and members of the ranks of labor, to the end that radical leaders and elements will be discredited and repudiated, and a safe and wise course adopted consistent with the interest both of labor and of capital and of all the people of the United States. The laboring masses of the country are filled with as fine Americans as the country contains, and I can not believe they will allow themselves to be swept off their feet and jeopardize their power, influence, and best interests by following radicals and extremists,

who do the cause of labor infinitely more harm than the average member of organized labor may possibly imagine.

The great body of labor desires, I believe, industrial peace just as the public does, and the way to such peace does not seem to be through strife and bitterness or threats on either hand, but rather through a fair disposition on the part of all to provide suitable agencies where a full and fair hearing may be accorded for the amicable adjustment of all grievances and differences, with an honest desire on the part of those directly concerned to reach an agreement just and fair to all concerned, and with due regard to the interests and rights of the public.

These great principles of justice and fair dealing seem capable of finding expression through the provisions of the Anderson amendment, which should be fairly tried out and utilized to compose and adjust existing unrest and disturbing conditions. Let all remember that this great Nation is the heritage of all, and as its people from every walk of life stood together against the forces from without that sought to destroy it, those same loyal citizens should exert all their power to keep down any forces of anarchy or Bolshevism from within that would seek to tear apart this Republic and overturn their Constitution and Government that offers more freedom, more real liberty, and more opportunity for happiness than any country in the world.

Mr. JONES of Texas and Mr. HUDSPETH were granted leave to extend their remarks in the RECORD.

Mr. ESCH. Mr. Chairman, I move that all debate close in five minutes.

Mr. HUDDLESTON. Mr. Chairman, I would like to have five minutes.

Mr. BLACK. I have a perfecting amendment which I would like to offer, if I could ever get to it.

Mr. ESCH. I move that all debate close in 15 minutes.

The CHAIRMAN. The gentleman from Wisconsin moves that all debate on this section and amendments thereto close in 15 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. HUDDLESTON. Mr. Chairman, I rise in pro forma opposition to the amendment of the gentleman from Texas [Mr. BRIGGS].

I believe that anyone who favors Government ownership of railroads would have good cause to hail the passage of this bill in the form in which it is presented to the House. I do not know how much it will be mutilated by the time it becomes a law, but I venture to believe that if this bill becomes a law in anything like its original terms it will produce a revulsion of sentiment in the United States, that it will do more to cause the people to favor Government ownership than any influence which has been brought to bear in the history of this country. The operation of the railroads under this bill will be the biggest argument in the world for Government ownership. Its passage ought to make advocates of Government ownership happy.

Now, I would not be candid if I did not say that I take no stock in the assertion so frequently made upon this floor and elsewhere that the Government control of the railroads which we now are bringing to a close by this bill has been a failure. I do not believe it. I believe that in a measure Government control has been a success. I believe, furthermore, that if we had had real Government control, that if there had been a sincere effort to make Government control a success, it would have been found to have been an overwhelming success. I believe that if I had the time I could demonstrate that the administration of the railroads by the United States Railroad Administration, even imperfectly as it has functioned, has been a success. Of course, a nation-wide propaganda has gone on. Immense sums of money have been spent to discredit it. Everything possible has been done to disgust the people with Government control. The Director General and his immediate staff have been honest, but as much can be said for very few between them and the employees. Railroad officials have sported with the trust reposed in them as subordinates of the Railroad Administration, and the most profligate waste and extravagance has gone on. Many of the men formerly officials of railroads who were given positions under Government control have not tried to make it a success; they tried to make it a failure and tried to discredit it from beginning to end. Ask any shopman; he will tell you of the awful waste of materials and labor; the transportation and office forces have similar tales to tell. Nevertheless, gentlemen, I predict that when the history of the United States Railroad Administration is written it will be seen that it has accomplished wonders: that it has been much more of a success and much more nearly perfect than the administration of private owners would have been under similar circumstances. With all the waste and extravagance, the big salaries to officials, the unnecessary increase in employees, many economies in operation could not be avoided, many elements of efficiency could not be discounted.

It has been a relative success, and the argument for a permanent system of Government operation of railroads remains.

Mr. Chairman, my statement the other day that by this bill we are capitalizing immense quantities of water was challenged. The gentleman from Illinois [Mr. DENISON] said the water had all been squeezed out of the railroads. Why, that is a contention that can not be supported for a moment. The railroads have something like \$18,000,000,000 of capitalization, and there is something like \$3,000,000,000 more of the securities of railroads that are owned by other railroads by interownership. Of that vast aggregate how much there is of water, of course, I do not know. We are now trying to find out by the investigation of the Interstate Commerce Commission, and undoubtedly Congress will be making a great mistake if it undertakes to legislate upon the subject without having a more adequate idea how much water we are capitalizing and giving life to.

The Interstate Commerce Commission is carrying on the investigation to find out the facts as to railroad values. I hold in my hand a statement showing that they have completed the valuation of three roads—the Kansas City Southern and subsidiaries, the Texas Midland, and the Winston-Salem South-bound. They have made tentative valuations of a total of 52 railroad systems. They are nearly all rather small systems. The valuations on the big roads are not yet finished.

Now, so far as the Kansas City Southern is concerned, the Interstate Commerce Commission has found the cost of reproduction, new, at \$44,194,645; the cost of reproduction, less depreciation, \$36,495,757. And yet we find that the book value of this railroad, "the investment account, as stated by the carrier," is \$99,578,383. Upon these 52 railroads tentative valuations have been placed of a total of \$304,439,491 for cost of reproduction, new; \$251,965,179 for cost of reproduction, less depreciation; and they have a book value—investment account—as given by the carriers of \$512,333,636, a difference between total first cost and total investment accounts of \$207,894,145—that is the water in their capitalization.

Now, I do not suppose that the same ratio of water will be found in all the railroads of the country, but you will observe, so far as these railroads are concerned, that they are about half water, as found by our agency which has made the valuation. I extend the statement referred to, as follows:

Name of carrier.	Cost of reproduction, new.	Cost of reproduction, less depreciation.	Investment account as stated by carrier.
Atlanta, Birmingham & Atlantic R. R.	\$24,154,998	\$19,408,810	\$53,325,752
Alabama Terminal R. R. Co.			6,681,361
Georgia Terminal Co.			4,870,882
Alabama Northern Ry. Co.	104,053	79,004	
Albany Passenger Terminal Co.	101,272	65,057	104,184
Bowden Ry. Co.	118,874	95,043	136,769
Death Valley R. R. Co.	359,726	346,257	365,962
Chicago, Terre Haute & Southeastern Ry.	22,247,850	17,501,158	24,927,762
Elgin, Joliet & Eastern Ry.	36,418,905	27,999,998	18,643,455
Chicago, Lake Shore & Eastern Ry.			22,433,010
Joliet & Blue Island R. R.			100,000
Carolina R. R. Co.	192,057	153,462	90,600
Flint River & Northeastern R. R.	239,547	191,792	235,925
Fitzgerald, Ocella & Broxton R. R.	101,373	65,380	406,952
Georgia Northern Ry.	831,275	605,891	912,145
Green County R. R.	181,591	115,499	151,600
Georgia, Southern & Florida Ry.	10,297,057	7,600,371	12,273,374
Carolina & Yadkin River Ry. Co.	671,300	602,299	3,167,393
Dover & South Bound R. R.	230,867	160,531	79,776
Hampton & Branchville R. R. & Lumber Co.	227,822	163,457	138,275
Tampa & Jacksonville R.	525,374	444,893	1,160,394
Hawkinsville & Florida Southern Ry.	1,144,728	864,766	763,529
Norfolk Southern R. R. Co.	24,067,374	19,800,019	21,056,039
Atlantic & North Carolina R. R.			1,943,946
Carthage & Pinehurst R. R. Co.			108,900
Kinston Carolina R. R. & Lumber Co.	219,012	145,423	36,007
Kansas City Southern Ry. and subsidiaries.	44,194,645	36,495,757	99,578,383
San Pedro, Los Angeles & Salt Lake R. R.	43,127,960	35,701,567	76,391,598
Missouri Southern R. R.	930,912	770,945	802,484
Louisville & Wadley R. R.	159,427	126,970	106,053
Macon & Birmingham Ry.	1,828,873	1,437,994	1,006,230
New Orleans, Texas & Mexico R. R.	7,668,975	6,471,984	12,194,231
Rome & Northern R. R.	316,994	261,835	317,155
Quincy Western R. R.	71,205	47,415	79,817
Texas Midland R. R.	3,382,004	2,527,417	2,748,171
St. John & Ophir R. R.	127,414	110,103	139,161
Tooie Valley Ry.	201,746	164,319	346,225
Tonopah & Tidewater Ry.	3,038,896	2,439,143	4,215,947
Ray & Gila Valley	583,414	563,489	1,005,284
Alabama Central Ry.	85,428	68,482	96,016
Mississippi Eastern Ry.	202,350	189,790	173,476
Central Railway of Arkansas	213,276	182,382	251,692
Wadley Southern Ry.	1,029,571	769,314	1,470,436
Sylvania & Guard R. R. Co.	142,508	109,191	
Sylvania Central Ry. Co.			75,000
Western Pacific Ry.	58,779,833	53,810,633	156,318,136
Winston-Salem Southbound R. R.	5,121,188	4,753,005	5,508,568
Wrightsville & Tennille R. R.	1,563,556	1,180,617	899,007
Arizona Southern R. R.	429,717	312,525	843,589
New Mexico Midland R. R.	147,156	110,271	150,000
Mississippi & Bonne Terre Ry.	3,957,247	3,141,093	3,579,099

Name of carrier.	Cost of re- production, new.	Cost of re- production, less depre- ciation.	Investment account as stated by carrier.
St. Francois County R. R.....	\$226,301	\$162,633	\$374,517
Cimarron & Northwestern Ry.....	297,528	206,622	269,431
Joplin Union Depot Co.....	433,208	406,363	553,527
Tallbotton R. R.....	80,791	64,110	66,930
Northern Dakota Ry.....	214,390	156,392	215,870
Savannah & Northwestern Ry.....	1,776,219	1,492,616	2,980,764
Santa Fe, Raton & Eastern R. R.....			598,548
Evansville & Indianapolis R. R.....			4,327,585
Farmers Grain & Shipping Co.....	830,511	635,527	650,335
Brandon, Devils Lake & Southern.....	194,054	150,731	184,580
Fernwood & Gulf R. R.....	661,141	522,752	605,855
Total for 52 roads.....	304,439,491	251,965,179	512,333,636

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. HUDDLESTON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. HUDSPETH. Mr. Chairman, I make the same request.

Mr. JONES of Texas. And, Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to these requests?

There was no objection.

Mr. LUCE. Mr. Chairman, I submit an amendment.

The CHAIRMAN. The Chair will state that already there are three amendments pending. The gentleman may have his amendment read for information and use his five minutes, the amendment to be considered afterwards. The Clerk will report the amendment offered by the gentleman from Massachusetts.

The Clerk read as follows:

Amendment offered by Mr. LUCE: Page 56, line 16, after the word "consolidation" insert the word "or" and after the word "or" now in the line, insert the words "to approve, authorize, or direct such."

Mr. LUCE. Mr. Chairman, I submit this amendment tentatively, so to speak, feeling that if it should not commend itself to the judgment of the committee, I should gravely doubt my own judgment in the matter.

In brief, this contemplates giving to the Interstate Commerce Commission the power to direct the railroads to pool facilities. For a concrete illustration, there is over beyond the document room an office which I fancy a large number of Members of this House would very much like to visit this afternoon, in order to test its joint facilities to the utmost in securing transportation to their homes. As this bill now reads, the Interstate Commerce Commission could not direct the continuance of that office. In my own city, when the Railroad Administration took charge of affairs, there were closed somewhere from 25 to 50 passenger and freight offices. I estimate that the economic saving to us, who ultimately pay the bills, to the taxpayer, to the consumer, was equal to the interest on an investment of from \$5,000,000 or \$10,000,000, representing the running expenses of those offices.

It may or may not be wise to try to preserve this gain. That I do not argue, but if the Chamber of Commerce of my city should think a continuance of these joint facilities desirable and could so convince the Interstate Commerce Commission, it may be well for the committee to consider whether the commission might not well have mandatory power in the matter. I propose that you permit the commission to direct the railroads to continue these joint facilities if, in the judgment of the commission, they are found to be a public economy.

May I call the attention of the committee to the fact that in the fifth line of the page of the bill in question they say that the commission may either upon the application of the carriers or upon its own initiative take up these matters? Certainly it could not to advantage take them up upon its own initiative if afterwards all the power it had in the matter was that given in line 15, to approve and to authorize. I wonder if the committee may not have intended, when it gave the commission power to take the initiative, that it should have the complementary power of issuing directions after hearings?

As I said in the beginning, if the judgment of the committee should oppose this, I should seriously doubt my own; but inquiry of members of the committee led me to think that perhaps it had not fully considered what is to happen in the matter of joint facilities.

Mr. BLACK. Mr. Chairman, I have an amendment which I would like to have read for information of the House, to be offered at the proper time.

The CHAIRMAN. The gentleman from Texas offers an amendment to be read for information of the House and to be offered later. The Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 56, line 12, after the word "public," strike out the following words: "or economy in operation."

Mr. BLACK. Now, Mr. Chairman, upon first impression I have an idea that the members of the committee and Members of the House would think that to strike out the language mentioned in my amendment would be unwise, and it may be that I am wrong in my effort to strike it out, but I do not think I am, and I hope that the chairman of the committee will approve that amendment.

Now, the provisions of this section, as we all know, give the Interstate Commerce Commission the power to modify and limit the Clayton antitrust law in respect to certain matters wherever they think that to do so would be in the interest of the public. That is the purpose of it. The language of the bill says that the unification and consolidation or merger of a carrier with another carrier may be permitted in the following cases: First, when it "will be in the interest of better service to the public." Now, that is a broad and comprehensive term, and I approve of it. Second, or "will be in the interest of economy in operation," or, third, "otherwise of advantage to the convenience and commerce of the people."

Now, let us see. Of course if we favor the purpose sought to be accomplished by this section—and I do myself—we will not object to the Interstate Commerce Commission ordering and authorizing a consolidation of this kind when it would be for the betterment of the public service. Therefore the first-named condition precedent to a merger or consolidation is all right. But the next language is—

Or will be in the interest of economy in operation.

Now, gentlemen, economy in operation alone might not be in the public interest. Presumably it would be, but not necessarily so in all cases. We are told—and I believe it is true—that the advantage of going back to private control is to maintain competition of service. We do not expect competition in rates. It has been established that we can not have that. But too much merger and consolidation would deprive us of competition of service. I dare say in almost every attempt toward consolidation the carrier could show that it would bring about an economy in operation, and therefore a provision like the one in this section would place it within the power of the Interstate Commerce Commission to order a merger or consolidation in any case where it can be shown that it would work an economy in operation, and this without any necessary regard for the public interest. While I have the utmost confidence in the Interstate Commerce Commission, I think that language ought to go out, and we ought to delegate to the commission the power to grant such consolidations only as they find to be in the interest of better service to the public or otherwise of advantage to the convenience and commerce of the people, and I think that such language would cover every ground that would justify the commission in approving a merger.

Mr. DENISON. Will the gentleman yield?

Mr. BLACK. I yield to the gentleman from Illinois.

Mr. DENISON. One very purpose of consolidation is to bring about economy in the expense of operation.

Mr. BLACK. Exactly, and whenever that would be for the betterment of the service it would meet the necessary test, but if it would not be for the betterment of the service the mere fact that it was an economy in operation should not justify it.

If gentlemen will study the broad and comprehensive power which this section delegates to the Interstate Commerce Commission to grant mergers and consolidations wherever to do so will be in the interest of "economy of operation" I think they will hesitate to give it.

It practically gives to the commission unlimited power to grant and authorizes consolidations and mergers. The discretion of the commission would practically be the only limit. I think the words which I seek to strike out should go out, and I therefore hope my amendment will be adopted.

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The question is on the amendment of the gentleman from Texas [Mr. HUDSPETH].

Mr. HUDSPETH. May I have the amendment reported again?

The CHAIRMAN. The amendment will be again read.

The Clerk read as follows:

Amendment offered by Mr. HUDSPETH: Amend page 57, line 23, by striking out the period and inserting a semicolon and inserting the following: "Provided, That nothing in this act shall relieve or exempt any carrier or express company from obedience to the constitution and anti-trust laws of the State of its creation, or in which it may operate."

The CHAIRMAN. The question is on the amendment. The question being taken, on a division (demanded by Mr. HUDSPETH) there were—ayes 32, noes 63.

Accordingly the amendment was rejected. The CHAIRMAN. The question now is upon the amendment of the gentleman from Texas [Mr. BRIGGS] to strike out paragraph 3.

The question being taken, the amendment was rejected. The CHAIRMAN. The Clerk will now report the amendment offered by the gentleman from Massachusetts [Mr. LUCE].

The Clerk read as follows: Amendment offered by Mr. LUCE: Page 56, line 16, after the word "consolidation" insert the word "or"; and after the word "or," now in the line, insert the words "to approve, authorize, or direct such."

The question being taken, on a division (demanded by Mr. LUCE) there were—ayes 26, noes 55. Accordingly the amendment was rejected.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas [Mr. BLACK]. The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 56, line 12, after the word "public," in line 12, strike out the following words: "or economy in operation."

The question was taken, and on a division (demanded by Mr. BLACK) there were—ayes 33, noes 64. Accordingly the amendment was rejected.

The CHAIRMAN. The question is upon the motion of the gentleman from Tennessee to strike out section 407. The question being taken, on a division (demanded by Mr. SIMS) there were—ayes 20, noes 73.

Accordingly the amendment was rejected. The Clerk read as follows:

SEC. 408. The second and third paragraphs of section 5 of the commerce act, added to such section by section 11 of the act entitled "An act to provide for the opening, maintenance, protection, and operation of the Panama Canal, and the sanitation and government of the Canal Zone," approved August 24, 1912, are hereby amended by inserting "(4)" at the beginning of such second paragraph, and "(5)" at the beginning of such third paragraph.

The fourth paragraph of section 5 of the commerce act, added to such section by section 11 of such act of August 24, 1912, is hereby amended to read as follows:

"(6) If the Interstate Commerce Commission is of the opinion that any such existing or proposed new specified service by water, other than through the Panama Canal, is being or will be operated in the interest of the public, and is or will be of advantage to the convenience and commerce of the people, and that a discontinuance of the existing service, or a failure to establish the proposed new service, will be substantially injurious to the commerce or localities affected, the commission may, upon such just and reasonable terms as it may prescribe, by order extend the time during which such existing service by water may continue to be operated, or authorize the establishment and maintenance of the proposed new service, until its further order after hearing. In every case of such extension or authorization the rates, schedules, and practices of such water carrier shall be filed with the commission and shall be subject to this act and all amendments thereto in the same manner and to the same extent as is the railroad or other common carrier controlling such water carrier or interested in any manner in its operation."

Mr. SANDERS of Indiana. Mr. Chairman, I offer the following amendment. The Clerk read as follows:

Amendment offered by Mr. SANDERS of Indiana: Page 57, strike out lines 24 and 25, and lines 1 to 9, inclusive, on page 58, and insert in lieu thereof the following:

"Sec. 408. The paragraph of section 5 of the commerce act added to such section by section 11 of the act entitled 'An act to provide for the opening, maintenance, protection, and operation of the Panama Canal, and the sanitation and government of the Canal Zone,' approved August 24, 1912, is hereby amended by inserting '(4)' at the beginning thereof. The two paragraphs of section 11 of such act of August 24, 1912, which follow the paragraph added by such section to section 5 of the commerce act are hereby made a part of section 5 of the commerce act. The first paragraph so made a part of section 5 of the commerce act is hereby amended by inserting '(5)' at the beginning thereof, and the second such paragraph is hereby amended to read as follows: "

Mr. SANDERS of Indiana. Mr. Chairman, this is an amendment suggested by the chairman of the committee, simply to make consecutive the numbering of the paragraphs, and is not any substantial change at all.

The CHAIRMAN. The question is on the amendment. The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. SANDERS], a member of the committee.

Mr. SANDERS of Louisiana. I yield to the gentleman from Mississippi [Mr. HUMPHREYS].

Mr. HUMPHREYS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Mississippi offers an amendment, which the Clerk will report. The Clerk read as follows:

Amendment offered by Mr. HUMPHREYS: Page 58, line 22, after the word "hearing" strike out the period, insert a colon and the following: "Provided, That no new service shall be authorized except in or upon the Great Lakes and their connecting waterways, or on a navigable water (other than through the Panama Canal) where the major portion of the service is upon the high seas or upon Long Island Sound."

Mr. ESCH. Mr. Chairman, after conference with various members of the committee and others who are interested in the Panama Canal section we have come to the agreement manifested in the amendment that has just been read.

Mr. ALEXANDER. Mr. Chairman, I have a motion to strike out the section.

The CHAIRMAN. The gentleman will have an opportunity to present that. The question is on the amendment of the gentleman from Mississippi [Mr. HUMPHREYS]. The amendment was agreed to.

Mr. HAWLEY. I move to strike out the last word. I wish to ask the chairman of the committee a question. Does paragraph 6 on page 58 apply only to rates where there is a joint water and rail haul, or does it give the Interstate Commerce Commission the power to fix rates when the route is entirely by water?

Mr. ESCH. It could not have jurisdiction unless you had a railroad owning the water line.

Mr. HAWLEY. Then if there is a carrier independent of a rail carrier, operating the water service, the Interstate Commerce Commission would have no power to fix rates for that carrier?

Mr. ESCH. It would have no jurisdiction. Mr. SANDERS of Louisiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Louisiana offers an amendment, which the Clerk will report.

The Clerk read as follows: Amendment offered by Mr. SANDERS of Louisiana: Page 58, line 11, strike out the words "or proposed new specified," and on line 16 strike out the words "or a failure to establish the proposed new service," and on line 20 strike out the last word in said line, "or," strike out all of line 21, and in line 22 the words "new service."

Mr. SANDERS of Louisiana. Mr. Chairman, this amendment, if adopted, will merely strike out what is known as the Rich amendments, which have already been discussed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana. The question was taken, and the amendment was rejected.

Mr. ALEXANDER. Mr. Chairman, I move to strike out section 408. The Clerk read as follows:

Amendment by Mr. ALEXANDER: Strike out all of section 408. Mr. ESCH. Will the gentleman from Missouri yield?

Mr. ALEXANDER. Yes. Mr. ESCH. The gentleman does not desire to strike out the amendment renumbering the sections?

Mr. ALEXANDER. If that could be segregated I would be willing to do it. I do not know how to do it, as I have no copy of the amendment. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection. Mr. ALEXANDER. Mr. Chairman, this bill amends section 5 of the commerce act as amended by section 11 of the Panama Canal act.

The fourth paragraph of section 11 of the Panama Canal act provides that—

If the Interstate Commerce Commission shall be of the opinion that any such existing specified service by water—

That is, by railroad owned or controlled water lines— other than through the Panama Canal is being operated in the interest of the public and is of advantage to the convenience and commerce of the people, and that such extension will neither exclude, prevent, nor reduce competition on the route by water under consideration, the Interstate Commerce Commission may, by order, extend the time during which service by water may continue to be operated beyond July 1, 1914.

The provision of this bill is as follows:

(6) If the Interstate Commerce Commission is of the opinion that any such existing or proposed new specified service by water, other than through the Panama Canal, is being or will be operated in the interest of the public, and is or will be of advantage to the convenience and commerce of the people, and that a discontinuance of the existing service, or a failure to establish the proposed new service, will be substantially injurious to the commerce or localities affected, the commission may, upon such just and reasonable terms as it may prescribe, by order extend the time during which such existing service by water may continue to be operated, or authorize the establishment and maintenance of the proposed new service, until its further order after hearing.

And so forth.

You will note that under section 11 of the Panama Canal act the power of the Interstate Commerce Commission is limited to railroad owned or controlled water lines other than those operated through the Panama Canal, and that in order to authorize the continuance of such lines the commission should be of opinion that they were being operated in the interest

of the public and to the advantage and convenience and commerce of the public.

But the duty did not stop there. They were required to further find and be of opinion that the extension of the time of service beyond July 1, 1914, would—mark the language—"neither exclude, prevent, nor reduce competition on the route by water under consideration."

What does the proposed amendment in section 408 of the bill do? It permits existing railroad owned or controlled lines to continue to be operated, or new services to be established, without any reference to what the effect will be on existing water lines. The commission is not required to find or be of opinion that such extension of service, or such new service, excludes, prevents, or reduces competition on the route by water under consideration.

Does anyone think that an independent water line can live in competition with a railroad-owned competing line?

The Panama Canal act required the withdrawal by railroad companies from the operation of ships in competition with their rail lines. That act, however, gave the Interstate Commerce Commission certain discretion in extending the time within which such water service by rail lines must be withdrawn.

It has recently been printed in the RECORD that during the seven years since the enactment of the Panama Canal act the Interstate Commerce Commission has denied but four applications by rail carriers for continuance of railroad-water service. Such action by the commission has undoubtedly prevented that which Congress originally contemplated, namely, that private capital owning independent water lines should build up a water service beneficial to the public in that it would not be rail controlled as to its rates, and would, therefore, constitute a rail competition such as could never be obtained from railroad-owned ships.

The phraseology in the bill which we seek to eliminate not only perpetuates the railroad-owned lines which the Interstate Commerce Commission has permitted to be continued under its discretionary powers, as outlined, but grants to the Interstate Commerce Commission additional authority to permit the railroads to further extend water service anywhere and everywhere, except only through the Panama Canal, thus permitting rail lines to furnish a camouflaged water service which would, however, prevent active privately owned water competition with rail lines such as would guarantee to the public who could be served by water carriers just and reasonable rates based upon the actual cost of water transportation.

It will be noted also that the phraseology which we propose to eliminate would place the Interstate Commerce Commission in exclusive control of such railroad-owned water carriers as to their rates, their schedules, and their practices. It being the evident purpose that they shall be considered differently than the ships of privately owned water companies which are amenable to the Shipping Board, as provided under the shipping act, to which board also the railroad-owned ships have been and now are amenable in so far as they do a port-to-port business.

The language of the bill, however, would give to the Interstate Commerce Commission control over the port-to-port rates of such railroad-owned water carriers, leaving them a menace always to privately owned shipping. We do not at this time seek to further restrict railroads from operating ships beyond that restriction provided in the Panama Canal act, but we seek to prevent an extension of that authority. Congress undoubtedly proposed to eliminate railroad-owned ships from competition with private carriers. The Interstate Commerce Commission has balked that intent of Congress, and certain it is that having failed to carry out the intents and purposes of the Panama Canal act, Congress is not justified in giving it further authority of like character which may be used by it to further destroy the independent water competition with rail lines.

If this motion to strike out is agreed to, it will leave the power of the Interstate Commerce Commission as it is now under section 11 of the Panama Canal act, and that is where it should rest for the present. The power of the commission, in my opinion, should not be extended. The power to regulate common carriers by water should continue in the United States Shipping Board, where it is lodged by the shipping act, 1916.

The Committee on the Merchant Marine and Fisheries was instructed by Congress to investigate the steamship company affiliations under House resolution 583 in the Sixty-third Congress. In our report we made this finding as to the steamship company affiliations on the Atlantic and Gulf coasts. I quote from our report:

On this leading water highway of American commerce practically all the large regular steamship lines are either controlled by railroads or are subsidiaries of one of two large shipping consolidations—the Eastern Steamship Corporation and the Atlantic, Gulf & West Indies Steamship Lines. Exclusive of some very small and purely local lines, 28

lines, representing 235 steamers with a total of 549,821 gross tons, handle practically all of the traffic along the entire Atlantic and Gulf coasts. Of the 235 steamers and 549,821 gross tons referred to, the lines controlled by the railroads represent 54.5 per cent and 61.9 per cent, respectively; the lines of the Eastern Steamship Corporation, 11.7 per cent and 10 per cent; and the lines of the Atlantic, Gulf & West Indies Steamship Lines, 18.2 per cent and 22 per cent. In other words, the steamers of the railroad-controlled lines combined with those of the Eastern Steamship Corporation and the Atlantic, Gulf & West Indies Steamship Lines number 199, or 84.7 per cent of the above-mentioned total for the 28 lines, and represent 516,055 gross tons, or 93.9 per cent of the foregoing total gross tonnage.

It will be noted that of the 235 steamers and 549,821 gross tons referred to, the lines controlled by the railroads represent 54.5 per cent and 61.9 per cent, respectively, of the regular steamship lines that handled the traffic on the Atlantic and Gulf coasts.

And yet in this bill it is proposed to give the Interstate Commerce Commission greater power over water traffic and to permit rail-owned or controlled water lines to strangle independent lines, all under the shallow pretense that to do so will be in the public interest.

It is time for the Congress to determine whether or not our inland waterways, our Great Lakes, the Atlantic Ocean, the Gulf, and the Pacific Ocean shall be national assets or national liabilities; whether we should continue to expend vast sums of money for the improvement of our waterways, including the Panama Canal, if the benefit of cheaper water rates is to be denied to the people. Looking at them from the railroad standpoint, they should be wiped off the map. They are regarded as an enemy, and the whole trend of this bill is to enlarge the power of the Interstate Commerce Commission over transportation by water, to the end that competition by water lines may be curtailed or entirely eliminated, as has been the case on our inland waterways, and that the railroads may control our waterways and make them of no value to our great agricultural, manufacturing, and commercial interests. Foreign nations regard their waterways as great national assets. We should regard our waterways as great national assets. Indeed, we could not estimate their value to our commerce if properly and fully utilized; but we seem determined, in this and other sections, to further eliminate their use or very seriously diminish their effectiveness as a means of cheaper transportation to the American people; and, as a member of the Committee on the Merchant Marine and Fisheries, who has given 12 or 13 years of his time in an effort to build up a great American merchant marine and to increase the value of our waterways to the commerce of our country, I protest against this tendency. It is idle to ask the Committee on the Merchant Marine and Fisheries to bring in legislation to build up an American merchant marine and at the same time give the railroad companies power to throttle or curtail water transportation. [Applause.]

Mr. CANNON. Mr. Chairman, the ocean we can not change; the Panama Canal connects the two oceans. The Great Lakes, I suppose, will continue to be there, but so far as the inland waterways are concerned I sometimes, from my standpoint, grow weary of them. We spend money on the canal from here to the South, within a stone's throw of the ocean, and then we are angry because commerce does not go upon it, and we want to legislate so that commerce will go upon it. I grew up on the Wabash and live within 12 miles of it now. The Wabash was called the Apian Way, away back there by the French who discovered it, and they used to float flatboats down on it and little stern-wheel steamers. They are all gone now. The day of the railroads has come. The Wabash is a navigable river, with the Vermilion River, one of its tributaries, which runs up and past my little town. It is a navigable river. The trouble about it is that when you want the inland waterways and you make them efficient, they will take care of themselves. Therefore, without disagreeing with anybody or making myself offensive to anybody, as I see it, I sometimes just grow—no; not weary, but I do not quite agree with the desire by law to force the waterways to perform something that they can not do.

Mr. SMALL. Mr. Chairman, the motion of the gentleman from Missouri [Mr. ALEXANDER] ought to prevail. I do not agree with the criticisms of this bill which are made by some to the effect that it is altogether bad. On the contrary, I think there are some very admirable features in it, particularly pertaining to the railroads, but even the members of the committee would not claim infallibility, and certainly those who have given consideration to some features of the bill and offer amendments are entitled to the consideration of the House sitting in Committee of the Whole, and I do not think it is altogether wise to assume that every amendment is without merit.

In the Panama Canal act there was a provision which forbade railroads owning or operating boat lines competitive with the railroads. The commission was given discretion, upon ap-

plication, to find the facts whether the boat lines were competitive and to extend the time within which the railroad might dispose of its boat lines. I understand that very few—under 10—separations of boat lines owned by railroads have been made, and I think it is fair to say that the tendency of the commission has been to permit the continued ownership of these boat lines by the railroads.

I submit, if I correctly estimate the attitude of the commission, that they are wrong. I further submit that the law prohibiting railroads from owning and operating competing boat lines is wise. Traffic by rail and traffic by water are dissimilar. The common ownership can not operate in the interest of the public. They never have done it and never will do it, and always in the past boat lines operated by railroad lines in competition with the railroads have been operating in the interest of the railroads and not in the interest of the public. That proposition in transportation can not be denied. I take it no one would stand up here and advocate the proposition that it is in the interest of transportation, increasing the facilities of transportation, and in the interest of the public to permit a rail line to own a competing boat line. If that be true, why this amendment to the existing law, and why should it be adopted? Its only purpose is to extend the discretion vested in the Interstate Commerce Commission and to permit the continued ownership by the rail lines of existing competing boat lines; and not only that, but to permit railroads to construct and operate additional boat lines.

The gentleman from Louisiana [Mr. SANDERS], in an address in general debate, condemned this bill in very general terms as sounding the death knell of water transportation. I am not willing to go to that extreme, and do not do so; but I do say that when an amendment like the one proposed by the gentleman from Missouri [Mr. ALEXANDER] is offered in furtherance of a proposition connected with transportation which is wise and which can not be contested, it ought to have the favorable consideration of the House, and that his motion to strike out ought to be adopted. If it is not done, some color will be given to charges like those made by the gentleman from Louisiana [Mr. SANDERS].

Mr. HUMPHREYS. Mr. Chairman, I want to speak briefly and call the attention of the House to the fact that this section as it is now will prevent the railroads from putting in any boat lines in competition with the railroads, or in competition with the boat lines that already exist on any of the inland waterways of the country. The objection to permitting railroads to own and operate boats on the rivers is apparent to everyone. The mere right to do that was in itself a drawback to the development of river transportation, because private individuals would hesitate to put a boat line in if the railroads could under any circumstances get permission from the Interstate Commerce Commission to inaugurate a boat line in competition.

Therefore to that extent private interests were discouraged, but the section as it stands now will not authorize the railroads to go into the steamboat business upon any of the rivers in the country. They are expressly excluded from that privilege. The only place they will be permitted to establish their lines will be upon the Great Lakes, upon the Fall River Line running from New York City up through Long Island Sound, where, according to the statements of gentlemen from those communities, that service is very greatly needed. Since the passage of the Panama Canal act the service by water in those two specific localities has greatly deteriorated and in some instances has passed away altogether, and they are anxious now to have the authority given to the railroads to reestablish that service which has passed away. Now, those of us who represent the inland waters of the country, I submit, ought not to stand in the way of these others if they want it, and especially since they have accepted the amendment which makes it impossible in the future, as it has been since August, 1914, for the railroads to inaugurate any steamboat service on any of the inland rivers of the country which come in competition with the private boat lines.

Mr. ALEXANDER. Will the gentleman yield?

Mr. HUMPHREYS. I will.

Mr. ALEXANDER. Have the railroads any steamboat lines on inland waterways now?

Mr. HUMPHREYS. Not now. They can not establish them. If they had the right to do it, which they would have had under this section before amendment, the gentleman can see how investors would be timid about establishing a boat line on any river if by any possibility the roads could come in subsequently and establish a competing service, but this forbids that. It says the railroads can not do that, and therefore I submit, so far as the inland waterways of the country are concerned, there is no sort of harm in the section as it stands.

Mr. DAVEY. Does the gentleman think the amendment will preclude the railroad company from owning any stock or interest in any water line?

Mr. HUMPHREYS. Absolutely. That is plain. They can not own any stock or have any interest in the ownership or operation or lease, or otherwise, of any steamboat company or any service by water in any of the rivers of this country, except such rivers as the Detroit River, the St. Marys River, the Niagara River—which are connecting rivers between the Great Lakes—and the East River, and Long Island Sound.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ALEXANDER. I ask that the gentleman's time be extended two minutes—

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that the time of the gentleman from Mississippi be extended two minutes. Is there objection?

Mr. ALEXANDER. In order that I may ask him a question.

The CHAIRMAN. The Chair hears none.

Mr. ALEXANDER. Now, the railroads under existing law can potentially destroy commerce on our inland waterways, and there is no inducement for them to establish water lines. Is not that true? Then your amendment is absolutely worthless; and that is my judgment.

Mr. HUMPHREYS. Of course, I do not agree with the gentleman with the rest of the two minutes I have. [Laughter.] I dissent.

Mr. TILSON. Mr. Chairman, I rise in opposition to the pro forma amendment or move to strike out a sufficient number of words to get the floor. I wish to challenge squarely the proposition of the gentleman from North Carolina [Mr. SMALL], and I wish to use as an illustration, amplified somewhat, an example referred to by the gentleman from Mississippi, who has just taken his seat.

The New York, New Haven & Hartford Railroad parallels Long Island Sound from the eastern end of Long Island Sound to New York; therefore boats running through the Sound would be regarded as in competition with the railroad. Prior to the passage of the Panama Canal act the New York, New Haven & Hartford Railroad had a number of boats, with boat lines running on Long Island Sound from New London, from New Haven, from Bridgeport, and from other ports, all running to New York. These lines were a great convenience to the people living not only along the north shore of the Sound but the entire interior section of New England. They served an excellent purpose. They carried freight much more quickly to and from New York to all of this region than it was carried by the railroad. The Panama Canal act, requiring railroads owning or operating water lines to dispose of them, was not enforced at once in Long Island Sound, and the time for its enforcement has been extended from time to time because of the situation there.

A number of railroads come down to Long Island Sound from the north. They come by way of Hartford and down the river by railroad or by boat to the Sound. They come by way of Norwich and New London, down the Thames River to New London. They come from a number of directions down to New Haven, and all in effect extend the several railroad lines by using the water route to New York. Bridgeport is similarly situated and can utilize the water route to New York.

Our difficulty is that the railroad, especially from New Haven to New York, is greatly congested. It is the neck of the bottle, if I may use that soon-to-be-out-of-date illustration. The railroad being already overburdened, the water lines serve the very useful purpose of extending the north and south railroads to New York. The shippers of this entire region are seriously handicapped in the conducting of their business by inadequate shipping facilities. Boats on the Sound materially help in the solution of the problem and the more of them the better for the people of the communities served. Any law the effect of which is to compel the railroad to divorce itself from its boats and to dispose of them is, in my judgment, a law in direct opposition to the best interests of the people being served by them.

Mr. SMALL. Will the gentleman yield?

Mr. TILSON. I will yield to the gentleman.

Mr. SMALL. If the cities of New Haven, Bridgeport, and other New England cities on the water were provided with municipal terminals, modern in every way, and there were independent boat lines between those cities and New York and other points, and those independent boat lines had an agreement for interchange of traffic with the railroad, does not the gentleman think it would be a healthier condition and have a better tendency to serve the public in transportation?

Mr. TILSON. I doubt it, even if the many favorable things supposed by the gentleman were true. Unfortunately, they are

not true, and probably will not be true as a result of any legislation that we might enact. The State of Connecticut has spent a million dollars to build a pier at New London in order to aid in bringing to pass the very things the gentleman suggests, but they have not come as yet. After all, the railroad is better prepared to handle the traffic than anybody else, and if we force the railroad to sever its connection with the boat lines, then, instead of sending it over somebody's boat line which is competing with the railroad, it will try to send it, if it can, through the neck of the bottle, which is the congested district just east of New York City.

Mr. WINSLOW. I would suggest to the gentleman that there are independent lines all up and down the Sound, and they do not increase. They have never been able to furnish enough boats to take the business, and even with the railroad boats they are short.

Mr. TILSON. I thank the gentleman from Massachusetts for his very accurate suggestion. The business has never been taken care of by independent boat lines, and it is the conviction as well as the fear of the people there that it never will be. If it is made permissible for railroads under proper regulations to connect up with their own boat lines and use Long Island Sound, it will be the very best thing possible for all the people of New England. I repeat that if we put anything into this law that will restrict the use of Long Island Sound in the way it was restricted by the Panama Canal act, it will be a serious injury to the people of New England.

Mr. TOWNER. Mr. Chairman, I rise in opposition to the pro forma amendment of the gentleman from Connecticut [Mr. TILSON] for the purpose of making this statement and observation.

Information has come to us that the Senate refuses to consent to the adjournment of the House at this time. That being true, the Members of the House ought to understand that any adjournment to-night is impossible. It is not only that condition that should hold us here, but also the further condition that there is at least a possibility, if not a probability, that the treaty will be defeated in the Senate. In that case the House should remain here in order that immediately, if that should be done, the House and the Senate may pass a joint or concurrent resolution to the effect that the war between Germany and the United States is at an end. [Applause.] That, in my judgment, will be a supreme duty of the House. In view of that, Mr. Chairman, I desire to ask the chairman of the committee whether at this late hour on Saturday evening it is worth while that the House should be held any longer in session to-day? It occurs to me that upon the determination of this amendment it would be proper and only justice to the membership of the House that we should adjourn until Monday. [Applause.]

Mr. WILSON of Louisiana. Will the gentleman yield?

Mr. TOWNER. I will yield to the gentleman from Louisiana.

Mr. WILSON of Louisiana. Is it your information that the Senate is going to vote on the treaty to-day finally?

Mr. TOWNER. I think not. That is only a supposition. But the probabilities are that the reservations will all be passed upon this evening.

Mr. LONGWORTH. I may say to the gentlemen that my understanding, after conversation with several Senators, was that the Senate does not intend to finish to-day, but proposes to adjourn at about 5 o'clock. I do not say that with any authority, but it is merely my understanding.

Mr. TOWNER. That only emphasizes the suggestion I make.

Mr. BANKHEAD. Will the gentleman yield?

Mr. TOWNER. I yield to the gentleman from Alabama.

Mr. BANKHEAD. What action of the Senate leads to the gentleman's statement that they have refused to consent to the adjournment of the House? Has the matter ever been formally up in the Senate?

Mr. TOWNER. I think it has only been informally agreed upon.

Mr. CLARK of Missouri. Will the gentleman yield?

Mr. TOWNER. I will be glad to do so.

Mr. CLARK of Missouri. There is no question about the Senate not being willing to pass that resolution. I would like to ask the gentleman from Iowa [Mr. TOWNER] what good there is to waste two hours this afternoon?

Mr. TOWNER. That is just what I am suggesting.

Mr. CLARK of Missouri. I know, but if we go on with this bill we will not be wasting time. If we adjourn now, it will throw away two hours or two hours and a half.

Now, about the adjournment. The resolution the gentleman is talking about, to declare the war at an end, can be passed in two hours or can be defeated within two hours. With an adjournment to-day, it would not do the gentleman from Iowa any good, or myself, or anybody that lives as far away from here as

we do. If we are going to adjourn, the quicker we adjourn next week the better we will be off. It will save riding from here to St. Louis on a train and coming right back again.

Mr. TOWNER. I will say to the gentleman from Missouri that this condition exists: A great many Members have made arrangements to go away to-night, and some to-morrow. If we adjourn within a short time they can cancel those arrangements and change them, and they should have an opportunity to do so while they can do it, this being the last working day of the week.

Mr. SMITH of Michigan. Will the gentleman permit an inquiry?

Mr. TOWNER. I yield.
Mr. SMITH of Michigan. Is it the gentleman's impression that we will conclude this bill on Monday if we should adjourn now?

Mr. TOWNER. I think we could if we met at 10 o'clock.
Mr. SMITH of Michigan. If not, we might use these two hours to-night.

Mr. TOWNER. That is for the committee to determine.

Mr. ESCH. Mr. Chairman, I think we had better run at least until half past 5. It is not my purpose to have a session to-night, in view of the situation in the Senate, but I think we ought to run until half past 5.

The CHAIRMAN. The time of the gentleman from Iowa has expired; all time has expired. The question is on the amendment of the gentleman from Missouri to strike out section 408.

The question was taken, and the Chair announced that the yeas seemed to have it.

Mr. ALEXANDER. Division, Mr. Chairman.

The committee divided; and there were—ayes 50, yeas 71.

So the amendment was rejected.

The Clerk read as follows:

Sec. 411. The two paragraphs under (a) of the thirteenth paragraph of section 6 of the commerce act are hereby amended so as to be combined into one paragraph to read as follows:

"(a) To establish physical connection between the lines of the rail carrier and the dock at which interchange of passengers or property is to be made, irrespective of the ownership of the dock, by directing the rail carrier to make suitable connection between its line and a track or tracks which have been constructed from the dock to the limits of the railroad right of way, or by directing either or both the rail and water carrier, individually or in connection with one another, to construct a suitable dock and construct and connect with the lines of the rail carrier a track or tracks to the dock. Such dock shall be considered a terminal, within the meaning of that term as used in other sections of the act, and the powers here conferred are in addition to those provided in other sections. The commission shall have full authority to determine and prescribe the terms and conditions upon which these docks and connecting tracks shall be operated, and it may, either in the construction or the operation of such docks and tracks, determine what sum shall be paid to or by either carrier: *Provided*, That construction required by the commission under the provisions of this paragraph shall be subject to the same restrictions as to findings of public convenience and necessity and other matters as is construction required under section 1 of this act."

Mr. SANDERS of Louisiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Louisiana, a member of the committee, offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SANDERS of Louisiana: Page 59, line 20, strike out all of section 411.

The CHAIRMAN. The gentleman from Louisiana is recognized.

Mr. SANDERS of Louisiana. Mr. Chairman, I desire, if I may, to explain to the committee just exactly what this is. I wish you would turn to your copies of the bill, page 59, section 411, line 20. Now listen: "Two paragraphs under (a) of the thirteenth paragraph of section 6 of the commerce act are hereby amended so as to be combined into one paragraph, to read as follows."

Therefore, from a mere reading of the bill, I undertake to say that every man would understand that that would mean the combining of two paragraphs.

Now, Mr. Chairman and gentlemen of the committee, it does nothing of the kind. Section (a) in the bill, at page 59, and running over to line 22, on page 60, changes, amends, and modifies the two paragraphs of section 6 of the commerce act in most important matters, and does it to the detriment of the States and the cities that have expended their money and builded their terminals and their docks.

The first change that is made of any importance begins in line 25, on page 59, and goes over into page 60, and puts in these words—the strongest that can be put in by the English language:

Irrespective of the ownership of the dock.

That means, gentlemen, that a town or a city, like the city of New Orleans, where there are State docks, not municipal, for the docks of New Orleans are State docks. It is a State insti-

tution. The revenues of those docks are pledged to the redemption of the bonds issued against them in principal and interest.

It has been contended that paragraph (a) of the commerce act carries the same provisions. Gentlemen, it does not. The present law is nowhere in the world as strong as this provision.

Then you have got on line 5 of page 60 the words "of the railroad" added, and then, on lines 9, 10, 11, and 12, you have got an entire paragraph added; and then you have given the Interstate Commerce Commission, on lines 13 and 14, the right to prescribe the terms and conditions under which river and ocean traffic can use the docks owned, built, and operated by the State of Louisiana. Then you have added the word "docks" in line 14, and you have added the word "docks" in line 16.

In other words, by these provisions in this bill you have taken away from the locality and from the State, the municipality, public ownership of docks and ways, docks built by and through public money, owned and operated by State or municipality, and you undertake to deprive that State or that municipality of the right of prescribing the terms and conditions under which their own public utilities may be used.

I have said that there is an invasion of State lines throughout this bill. There is no more outrageous invasion than is attempted in this section which I have moved to strike out.

No harm can come, gentlemen of this committee, by leaving section (a) as it stands in the commerce act to-day. No harm can come to this bill, because under the existing law the Interstate Commerce Commission has all the power that it ought to have. Do not try by act of Congress to take away the management and the control and the operation of State or municipal docks or piers placed there by a people for their own purpose.

Mr. DENISON. Mr. Chairman, will the gentleman yield for a question?

Mr. SANDERS of Louisiana. Certainly.

Mr. DENISON. May I ask the gentleman from Louisiana if these municipal or State docks are facilities that are used for interstate commerce?

Mr. SANDERS of Louisiana. Yes, sir.

Mr. DENISON. Does the gentleman think that the State of Louisiana, with reference to an interstate facility, or a facility of interstate commerce, should be superior to the United States?

Mr. SANDERS of Louisiana. Absolutely, in regard to our own docks.

Mr. DENISON. The Constitution says otherwise.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. SANDERS of Louisiana. Mr. Chairman, I ask for three minutes more, if you please.

The CHAIRMAN. The gentleman from Louisiana asks unanimous consent to proceed for three minutes more. Is there objection?

There was no objection.

Mr. DENISON. The Constitution says otherwise.

Mr. SANDERS of Louisiana. There is nothing in the Constitution of the United States anywhere that says that State property can be taken by the Federal Government.

Mr. DENISON. Mr. Chairman, will the gentleman yield again?

Mr. SANDERS of Louisiana. Yes.

Mr. DENISON. The Constitution does give the Congress plenary power to regulate interstate commerce, and when a State enters into the construction of facilities for interstate commerce the State must do so subject to that constitutional power.

Mr. SANDERS of Louisiana. There is not any question about the Constitution of the United States giving to Congress the right to regulate and control interstate commerce. But that is not what is attempted in this amendment. You are attempting here to dictate to a sovereign State the terms and conditions under which a vessel, a steamboat, a river-going or ocean-going vessel shall tie up at the docks at the city of New Orleans or any other city where docks are publicly or privately owned. You are taking away the management of those docks. You are taking away the control of those docks.

Yes; you have got the right to regulate interstate commerce, but you have not the right by an act of Congress, you have not the legal right, and, more than that, you have not the moral right to go down and take the docks built by State money and undertake to say how those docks shall be managed and under what terms they shall be used. It is inherently illegal. Worse than that, it is inherently immoral. I have not heard the gentleman from Illinois, or any other gentleman on that side, state that we could take a copper cent from a railroad. Oh, no. Their property is sacred and must not be touched. But the property of the State of Louisiana must be treated otherwise.

Mr. BENSON. Mr. Chairman, will the gentleman yield?

Mr. SANDERS of Louisiana. Yes.

Mr. BENSON. Did you not do that very thing when you took the railroads away from the owners?

Mr. SANDERS of Louisiana. We did not. We paid them, and paid them well, for the use thereof.

Mr. BENSON. Would we not pay the States for the use of the docks?

Mr. SANDERS of Louisiana. No. There is not one word in this about paying the State.

The CHAIRMAN. The time of the gentleman from Louisiana has again expired.

Mr. DENISON. Mr. Chairman, I rise in opposition to the amendment.

Mr. SMALL. Will the gentleman yield to allow me to offer a perfecting amendment?

Mr. DENISON. In a moment I will. Gentlemen, I appreciate the attitude of my friend from Louisiana [Mr. SANDERS]. I know how he feels on this question, but he is in error. The Constitution gives the Congress absolutely plenary power to regulate interstate commerce. Now, whenever a sovereign State or a municipality engages or invests in a facility of interstate commerce, then that State or municipality must submit to the supreme power of Congress just the same as an individual, and the mere fact that it is a State or a municipality that engages or invests in the facility of interstate commerce does not change the Constitution of the United States or the constitutional power conferred on the Congress.

Let me give you an illustration. Suppose the State of Louisiana should issue its bonds and invest in a railroad running from New Orleans to Austin, Tex., and engage in interstate commerce. Then my friend from Louisiana [Mr. SANDERS] would come here and say that Congress has no right to impose any regulation on that railroad because it is a State railroad, and a sovereign State can not be subjected to the power of the Congress.

Mr. SANDERS of Louisiana. Will the gentleman yield?

Mr. DENISON. I will be glad to yield?

Mr. SANDERS of Louisiana. Would the gentleman contend that this Congress could order the State of Louisiana to build that railroad?

Mr. DENISON. Certainly not.

Mr. SANDERS of Louisiana. That is exactly what this amendment does when it orders us to make physical connection here, there, and elsewhere.

Mr. DENISON. If the gentleman from Louisiana can not see the distinction between the power to order a person or a State to do something that it has never undertaken to do, and the power to regulate it when it has undertaken to do a thing which the Constitution gives the Congress the power to regulate, that is the gentleman's misfortune. I can see the distinction.

Mr. MOORE of Virginia. May I interrupt the gentleman?

Mr. DENISON. I yield to the gentleman from Virginia.

Mr. MOORE of Virginia. I should like to call attention to the fact that in a preceding section of the bill, with reference to the power of the commission to require the joint use of terminals, provision was made for compensation. Is there in this section any provision for compensation? The gentleman from Louisiana [Mr. SANDERS] construes the provision as giving the commission the authority to control the operation and use of the docks at New Orleans. Can the commission, under that power, without compensation to the municipality, authorize the control and operation of those docks when it is understood that these docks produce a very large revenue to the State?

Mr. DENISON. We do not think that, and I do not think anyone would give that construction to it. The commission can not take the property of a private individual or a municipality or a State and let others use it without just compensation.

Mr. MOORE of Virginia. This does not seem to provide for any compensation.

Mr. DENISON. I do not think it is subject to that construction. Congress can not take private property or municipal property or State property and subject it to the use of others without just compensation. That would be a violation of the Constitution.

Mr. SANDERS of Louisiana. May I ask the gentleman a question?

Mr. DENISON. Yes.

Mr. SANDERS of Louisiana. Can the gentleman read anywhere in this section the right of Congress to order the State of Louisiana to build the connecting link called for here at the pleasure of the Interstate Commerce Commission? And is there any compensation for that or is there any compensation offered in this bill for the use of the docks?

Mr. DENISON. Let me tell the gentleman from Louisiana my view upon that question.

The CHAIRMAN. The time of the gentleman has expired.

Mr. O'CONNOR. I ask that the gentleman's time may be extended two minutes.

The CHAIRMAN. The gentleman from Louisiana asks unanimous consent that the time of the gentleman from Illinois be extended two minutes. Is there objection?

There was no objection.

Mr. DENISON. Whenever the State of Louisiana, or the municipality of New Orleans, or any other State or municipality undertakes to perform the function of an interstate carrier, it thereby submits itself to the supreme power of Congress under the Constitution, and anything that the Congress can properly authorize the Interstate Commerce Commission to do to a railroad or a private individual it can do to a municipality or State; and the mere fact that the State chooses to do that thing does not exempt the State from all of the powers under the interstate commerce clause of the Constitution, or any of those powers.

Mr. SANDERS of Louisiana. Does the gentleman think that the Congress legally or morally can take the property of the State of Louisiana in whole or in part without compensation?

Mr. DENISON. No; I do not; and I have not said anything to intimate that.

Mr. SANDERS of Louisiana. I am glad the gentleman does not think that.

Mr. DENISON. I hope I have not said anything even intimating that.

Mr. STEVENSON. Mr. Chairman, of course, I take it that the gentleman's position is that if the people who own these docks consent to this use of them by the railroads, it will be all right. They can get the right in that way. Now, suppose they refuse their consent, how can you get their property except by condemnation proceedings? There is no power given here to condemn, is there?

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. DENISON. I am sorry I have not the time to answer the gentleman.

Mr. EDMONDS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. EDMONDS: Add after section 411 as a new paragraph:

"That the thirteenth paragraph of section 6 of the commerce act, which reads: 'When property may be or is transported from point to point in the United States by rail or water through the Panama Canal or otherwise, the transportation being by a common carrier or carriers, and not entirely within the limits of a single State, the Interstate Commerce Commission shall have jurisdiction of such transportation and of the carriers, both by rail and by water, which may or do engage in the same, in the following particulars, in addition to the jurisdiction given by the act to regulate commerce, as amended June 18, 1910,' be and is hereby amended to read: 'When property may be or is transported from point to point in the United States by rail or water through the Panama Canal or otherwise, the transportation being by a common carrier or carriers, and not entirely within the limits of a single State, there shall be a joint commission composed of three members of the Interstate Commerce Commission, and three members of the Shipping Board elected by each body, the commission to be known as the Federal Joint Commission on Rail and Water Traffic, which shall have jurisdiction of such transportation and of the carriers, both by rail and by water, which may or do engage in the same, in the following particulars.'"

Mr. ESCH. I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Wisconsin reserves a point of order.

Mr. EDMONDS. Mr. Chairman, I am rather inclined to believe that this amendment is subject to a point of order, but I hope that the point of order will not be made. During the last few days a number of Members, particularly those connected with the merchant marine and fisheries, have made an appeal to the committee not to place the water business so conclusively under the Interstate Commerce Commission, because we realize that if you want to give the death blow to the coastwise business of the merchant marine generally, you are going to do it by passing this legislation and putting the general supervision of the business where this committee seems to wish to place it.

There is no doubt that there should be on any commission that intends to take up the question of water facilities, the question of port facilities, some representation of some board that will represent the water business. At the present day the Interstate Commerce Commission has only one object in view, and that is to make the railroads in the country a success, and to take care of the interests of the people in the Government, of course.

But here we are placing an entirely dissimilar business, a business that has nothing to do with railroads, that operates in a different manner and under different conditions, placing it un-

der railroad conditions without giving the waterways people an opportunity to have a man on the board that has the final decision in making the rates. I trust, gentlemen, you will listen to this case, because it is the last opportunity we have to offer you anything in the bill to protect the water business of the country. If it is your intention not to do so, you will vote down the amendment. If the point of order is sustained, I will support the amendment offered by the gentleman from Louisiana to strike out the section.

The CHAIRMAN. Does the gentleman from Wisconsin make the point of order?

Mr. ESCH. I insist on the point of order, Mr. Chairman.

The CHAIRMAN. The amendment provides for the appointment of a new commission, to consist of certain members of the Interstate Commerce Commission and certain members of the Shipping Board, to have control over matters relating to navigation through the Panama Canal. In the opinion of the Chair the amendment offered by the gentleman from Pennsylvania proposing the creation of such a new commission, constituted as this is provided for in the amendment, is not germane to the section of the commerce act to which it is offered, nor to any provision of the act, and therefore the Chair sustains the point of order.

Mr. O'CONNOR. Mr. Chairman, I move to strike out the last two words.

Mr. SMALL. Mr. Chairman, I have several perfecting amendments, and I have been trying to get recognition by the Chair. I do not want to lose my rights.

The CHAIRMAN. The gentleman will be recognized later.

Mr. O'CONNOR. Mr. Chairman and gentlemen of the committee, I have no desire to differ from the very able gentleman from Illinois [Mr. DENISON] with respect to the legal conclusions that he has drawn with reference to the power of the Interstate Commerce Commission and in reference to the interstate traffic of this country. I do not intend to disagree with my able colleague from the State of Louisiana with respect to the rights he tries to preserve by virtue of his amendment, rights which are almost sacred to us, gentlemen. The dock commission of the city of New Orleans, as it is generally styled and referred to, had jurisdiction over that part of the river front of the Mississippi which begins four parishes above New Orleans—and a parish corresponds to your county division—in the district of my colleague, H. GARLAND DUPRE, and stretches way down across the front of New Orleans and that of the parish of St. Bernard, which is immediately in front of the battle ground on which the Battle of New Orleans was fought.

The construction and maintenance of these docks have cost the people of the city of New Orleans millions and millions of dollars. When I say it has cost the people of the city of New Orleans millions of dollars I want you to realize fully the significance of that statement. New Orleans is a city relatively poor. Per capita, I imagine, we are one of the poorest cities in the United States of America. There are any number of sad reasons for that fact—the Civil War, the occupation of that city by Ben Butler and its tragic memories, the yellow fever that followed, the calamities and catastrophes and afflictions that besieged us, the overflows, and a thousand other things that have come to try the souls of those people, until they have lost almost everything but their faith in their country. And yet she has, in spite of all these drawbacks and disasters, disasters and defeats that would have crushed any other people, become one of the finest cities in the world as a result of the willingness of her people to spend their all to make her commercially and industrially a great and well-equipped port to handle the commerce of the world and to maintain her financial integrity at any cost.

Aye, it may be truly said of New Orleans that there was a time when her people had lost all, as a result of vicissitude, but their honor. You gentlemen of the rich and opulent cities of the North and East do not know what these millions spent by our people to construct our wharves and warehouses and docks meant to the people of that city. They have spent those millions in perfecting a great and magnificent dockage system, which includes every facility known to modern mechanical genius in building up a port which challenges the admiration of the commercial world. We have built up a public railroad system there for the purpose of carrying the freight from all of the railroads that enter the city of New Orleans to the docks. We have a magnificent system, a system that was said by Gen. Black recently before the Committee on Merchant Marine and Fisheries to be one of the finest in the world. Gentlemen, you will easily understand the apprehension, you will understand the fear, of a people who have gone to that tremendous expense in an endeavor to make that port one of the great ports of the country, in respect to anything that might menace the position

they have laboriously ascended to and acquired as a result of years of sacrifice—sacrifice and toil that have no parallel in history. A bill as important as this and which contains so many features of vast possibilities to the commerce of the country ought to be submitted to our exchanges and commercial bodies before being taken up in this House. I do not like to refer harshly to any legislation that is being considered by this body, but, so far as I know, the only board of trade or association of commerce that I have heard from in connection with this bill is the Cleveland Board of Trade or association of commerce. The matter contained in this section, which is so important to the people of New Orleans and its industrial and commercial and financial life—

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. DUPRÉ. Mr. Chairman, I ask unanimous consent that my colleague may have two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. O'CONNOR. I repeat, this section is of sufficient importance in itself to justify me in saying and reiterating it that it should have been submitted to our trade boards in order that we might have had their advice and suggestion.

Mr. Chairman, this bill—and I can not repeat it too often—this bill should have been submitted to the various commercial exchanges of the country, and in all probability if this had been done we would have had a more carefully and better digested bill before us, and having had the advice of our commercial bodies we would have been better equipped for its discussion. I know that when news of this measure is carried to the people of that city, when the idea is carried to them that their all, that their labor and investment for years is endangered, that the Interstate Commerce Commission by its mere fiat can change its facilities from one part of that great river front to another, it will in all probability arouse a feeling among our people that their Representatives here have not been attending to their duties; that they have been recreant to their trust if they do not protest against the section and ask for a recommitment of this bill in its entirety.

I hope that this section and all other sections at the proper time will go over, in order that this proposed legislation might receive the consideration of commercial bodies, exchanges, and associations of commerce throughout this country. I do not believe that the agricultural interests are any too enthusiastic for its passage. I feel that wage earners view it with alarm and hostility, and that the commercial interests in our land may feel, out of sympathy for these two great branches of society and a desire to protect themselves against what may prove to be an ill-considered bill, that it should be recommitted in order to secure a calmer and more deliberate and judicious and serene consideration than it has, in view of the turbulence and disturbances of the day and time.

Mr. ESCH. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. ESCH. The principles in this bill relating to interstate commerce were presented in a bill on the 2d day of July, and they have not been changed in this bill.

The CHAIRMAN. The time of the gentleman from Louisiana has again expired.

Mr. SMALL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SMALL. I have several amendments which I desire to offer to this section. May they all be read at the same time?

The CHAIRMAN. Without objection, they may be read for the information of the committee and offered at the proper time.

Mr. SMALL. Then I request that that be done, and offer the following amendments.

The CHAIRMAN. The gentleman offers an amendment which the Clerk will report, and he also offers amendments which may be read for the information of the committee and offered at a later time.

The Clerk read as follows:

First amendment offered by Mr. SMALL: Page 50, line 25, strike out the words "To establish" and insert in lieu thereof the words "They shall establish."

Second amendment offered by Mr. SMALL: Page 60, lines 1 and 2, strike out the words "irrespective of the ownership of the dock."

Third amendment offered by Mr. SMALL: Page 60, line 7, strike out the words "construct a suitable dock and"; page 60, lines 10, 11, and 12, strike out the words "Such docks shall be considered a terminal, within the meaning of that term as used in other sections of the act, and the powers here conferred are in addition to those provided in other sections."

Fourth amendment offered by Mr. SMALL: Page 60, line 14, strike out the words "docks and," and page 60, line 16, strike out the words "docks and."

Mr. SMALL. Mr. Chairman, I hope the chairman and other Members observed the text of the bill while the Clerk was read-

ing these proposed amendments, so that they will know what is sought to be stricken out. If I should be so fortunate in impressing the Members with the importance of these amendments as they appear to me I shall be very grateful, and I ask the attention of the chairman of the committee.

This section as it stands now confers upon the Interstate Commerce Commission jurisdiction over all docks, whether they be docks built by water lines or owned by railroads or municipalities or States. That is not a wise or necessary jurisdiction to confer upon the commission, but, upon the contrary, is most unwise and will work injustices in many cities of the country. The great docks at New Orleans, those at San Francisco, the new and magnificent docks at Seattle, at Los Angeles on the Pacific coast, at Philadelphia, at Baltimore, at Galveston on the Gulf—this gives the commission jurisdiction over all those docks and the power to make rates as to their use. Admitted it is a valid exercise of power, it is an unwise one, and I submit to the committee that those words proposed to be stricken out, which would take away that jurisdiction, ought to receive the sanction of the committee.

Mr. ALEXANDER. Will the gentleman yield?

Mr. SMALL. Yes; just for a question.

Mr. ALEXANDER. If this amendment were not agreed to and this provision is written into the law, will it not discourage municipalities and States to provide these terminal facilities?

Mr. SMALL. Absolutely, and I just heard a gentleman a while ago speaking in reference to a city upon the Gulf say that if this section were passed a certain referendum at which the question of issuing bonds was to be taken would result unfavorably in a bond issue. Certainly it would discourage municipalities over the land from creating and constructing municipal water terminals. Mr. Chairman, this section goes further and gives the commission power to compel boat lines to build docks or terminals. That is an unwise conferring of jurisdiction upon the commission and it would deter the construction of boats and the operation of boat lines. These amendments which have been offered on page 60 remove these difficulties and leave the section, in my opinion, a very wise one.

Mr. DENISON rose.

Mr. SMALL. In a moment. And over here on page 50 at the bottom almost of the section I change the words "to establish" to the words "they shall establish." In other words, it makes it mandatory upon the commission to establish connection between rail lines and water lines. It is a different sort of an amendment from the other. I now yield to the gentleman from Wisconsin.

Mr. ESCH. On page 3010 of the hearing in the amendment submitted by the gentleman from North Carolina I find this provision: "The provisions of this paragraph shall apply to cases where the dock or water terminal is owned by the municipality or other public agency or by any body other than the water carrier involved." Is that the gentleman's attitude now?

Mr. SMALL. If that be my expression at that time I certainly do not agree with it now, and however unfortunate the expression was I have never maintained the thought that the Interstate Commerce Commission should have power over docks and terminals owned by boat lines and municipalities. The only thought I ever had was that those terminals should be used for the interchange of traffic between rail lines and water lines and I have always insisted that the commission should have power to effect an interchange of traffic, but never to the extent to which this section goes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SMALL. I ask that I may have five minutes additional.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. SMALL. I yield to the gentleman from Illinois.

Mr. DENISON. I was going to say to the gentleman from North Carolina that the very high respect which the committee had for the opinion of the gentleman from North Carolina went a long way to induce the committee to put this provision in the bill.

Mr. SMALL. Well, if the committee exercised such high compliments in an individual in framing the bill can not they just exercise a little bit at this particular moment?

Mr. DENISON. The committee, I will say to the gentleman, can not change its mind every time the gentleman from North Carolina does. [Laughter.]

Mr. SMALL. To be serious, this speaker has never changed his mind; he has always, or certainly for years in studying the matter, been strongly of the opinion that there should be an interchange of traffic between rail lines and boat lines.

Mr. DUPRÉ. Will the gentleman yield?

Mr. SMALL. In a moment I will. And that the law should both authorize and compel this exchange of traffic, and this provision gives the commission the power to make rates that absolutely control in every respect these terminals.

Mr. DUPRÉ. With regard to the rather unfortunate interpolation of the gentleman from Illinois [Mr. DENISON], can you imagine anything worse than the way that the committee out of which this bill has been reported has changed its mind so often, including the gentleman from Illinois [Mr. DENISON]? I shall be very glad to have a reply to that.

Mr. SMALL. The gentleman has answered it already.

Mr. DUPRÉ. No. I am adverting to the gentleman from Illinois [Mr. DENISON].

Mr. DENISON. I beg the gentleman's pardon. I was occupied and I did not hear the gentleman.

Mr. DUPRÉ. I think the gentleman was very wisely occupied, because I propounded a question he never could answer in behalf of his committee.

Mr. SMALL. Mr. Chairman, who should build water terminals? This section gives the commission the power to compel water lines to build terminals. I submit, and the experience of all commercial boards is to the same effect, that water terminals should be built by some public agency, preferably the municipalities. It is very seldom that water lines have the capital to build adequate terminals. Very seldom ought a railroad be compelled to expend the necessary capital for their construction. But as they are largely in the interest of the communities I believe it is a fair statement that, and it is the consensus of opinion by all students of this subject of terminals, they should be constructed by the municipalities or some agency of the State, and should be dedicated to public use and regulated in the interest of the public. I think, therefore, that this section proceeds upon a wrong theory. The commission ought to have been given the power to compel the use of the terminals as between the boat line and the rail line—to compel connections. But as to the revenue to be derived from the terminals, as to the rates to be charged, certainly the community whose money has gone into it should have something to say as to that. And the community, being more acutely interested in building up through commerce between the boat line and the water line than anyone else can possibly be, certainly would not oppose a proper rate or do anything that would prevent the interchange of traffic between the boat line and water line. I submit that the criticism of the gentleman from Louisiana is well founded, and I hope the amendment will be adopted.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GOODYKOONTZ. Mr. Chairman, the gentleman from Louisiana [Mr. SANDERS] having discussed this proposition from the standpoint of a municipality that objects to the provision of the bill, I propose to discuss it briefly from the standpoint of a private owner of a dock who demurs at the passage of an act which will authorize the transportation companies of the country to confiscate his dock.

Coming out of the great Pocahontas coal field of West Virginia are three great trunk line railroads—the Norfolk & Western, the Chesapeake & Ohio, and the Virginian. They converge at Norfolk. And down there at times, when a great many vessels come into port, the traffic becomes congested. In my district, which includes the Pocahontas field, I have a constituent, a very large shipper of coal, a company that produces and ships over a million of tons of coal a year. That company, in order to obviate the difficulties at the port of Norfolk, and at great expense, built a private dock in order that when coal is moving out in a continual stream—especially during cold winter weather—and the terminals are congested, that such coal might be diverted to this company's private docks and there loaded on vessels which they own, to the end that it be transported and delivered at ports along the Atlantic seaboard.

Now, we object to conferring upon the Interstate Commerce Commission the power, in the interest of the railroads, or even of the public, to take this dock. I am not arguing about due process of law or the right of exercise of eminent domain, or of remuneration, or anything of the kind. We have built the dock; it is private property; and if the railroads want additional facilities at this terminal let them go to the expense of building such facilities, as they should. [Applause.]

Mr. SANDERS of Indiana. Mr. Chairman, I move to strike out the last word.

It seems to me that we are not only within our constitutional rights, but it is also clearly our duty, to make this provision in this law. There is a great cry from those who have constructed docks against what they call an encroachment on their private rights. But, after all, the rivers and harbors of this great Nation are in the Commonwealth, and the uses of the docks should belong to the entire country.

It is claimed that New Orleans had a dock which was built by the State, or the municipality—I do not remember which—and they have a belt road around there, and it is claimed that it would be a great injustice to the city of New Orleans or the State of Louisiana if we compelled railroad connection with that dock. If we were to concede that there was not power in the Congress of the United States to control the docks of those municipalities, we would grant the power in the municipality or in the State to absolutely control all of interstate commerce; and the same gentlemen—I am not referring to Members of Congress—who are so anxious now to protect the dock down there from what they regard as an infringement invoked the power of the Interstate Commerce Commission in the famous New Orleans case to compel the connection by rail carriers with the belt road around the dock and also to compel the division of freight rates.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. SANDERS of Indiana. Yes.

Mr. O'CONNOR. Who built the public dock that the railroads are compelled to connect with?

Mr. SANDERS of Indiana. I understand it was either the State of Louisiana or the municipality—at least, that is my understanding—and that the same authority which now wants to be left absolutely alone, and which now says that the Interstate Commerce Commission has no power to deal with it, invoked the power of the Interstate Commerce Commission in order to get railroad connection and in order to use the power of the Federal Government to compel connection with the belt road around that selfsame dock.

Mr. O'CONNOR. Was it not for the purpose of compelling the railroads to do that which the Interstate Commerce Commission is at this late date trying to make them do?

Mr. SANDERS of Indiana. They want benefits from the Federal Government and from the power of the Federal Government when it is for their own needs, but in the event they have a monopoly down there they want to say, "We have this; we are going to control every particle of connection with this dock; and we do not think that the Interstate Commerce Commission has any power over the subject matter."

Mr. SMALL. Mr. Chairman, will the gentleman yield?

Mr. SANDERS of Indiana. I can not just now. So far as the constitutional power is concerned, it has been settled so long and so well that it should not be now in dispute. In the famous case of Gibbons against Ogden the court said—

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. SANDERS of Indiana. Mr. Chairman, I ask leave to proceed for two minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. SANDERS of Indiana. In that case the court said:

But in regulating commerce with foreign nations the power of Congress does not stop at the jurisdictional lines of the several States. It would be a very useless power if it could not pass those lines. The commerce of the United States with foreign nations is that of the whole United States; every district has a right to participate in it. The deep streams which penetrate our country in every direction pass through the interior of almost every State in the Union and furnish the means of exercising this right. If Congress has the power to regulate it, that power must be exercised whenever the subject exists. If it exists within the States, if a foreign voyage may commence or terminate at a port within a State, then the power of Congress may be exercised within a State.

Further, in this same case, it says:

This power, like all others vested in Congress, is complete in itself, may be exercised to its utmost extent, and acknowledges no limitations, other than are prescribed in the Constitution. These are expressed in plain terms and do not affect the questions which arise in this case or which have been discussed at the bar. If, as has always been understood, the sovereignty of Congress, though limited to specified objects, is plenary as to those objects, the power over commerce with foreign nations and among the several States is vested in Congress as absolutely as it would be in a single government, having in its constitution the same restrictions on the exercise of the power as are found in the Constitution of the United States.

And, Mr. Chairman, this is a wise exercise of that power, because it is not arbitrary, but under the control of the Federal tribunal, which will deal justly with all parties. So far as provision of notice and hearing is concerned, I have no objection to a provision covering notice and hearing, if desired. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. LaGUARDIA. Mr. Chairman, I rise to support the amendment offered by the gentleman from North Carolina [Mr. SMALL].

The conditions in New York are such that we have spent more money on our docks than any other half dozen ports in the United States, and we now have under consideration a comprehensive scheme, not only for New York but all the New

Jersey ports, for a port which will include all the water front around New York and the Jersey side. A commission has been appointed by both States. A treaty has already been drafted and now awaits approval by the legislatures of both States. A plan is now under consideration for constructing or extending tracks along the entire water front. This would immediately bring all our municipal docks under the jurisdiction of the Interstate Commerce Commission if the bill is not amended.

We now have under contract to build six 1,000-foot docks in the port of New York. These docks have already been leased, I understand. We do not want any interference with the building or control of these improvements. This is one of the vital problems of our city. Now, while of course we favor any scheme that will connect our docks with railways and steamship lines, you can not come in and take complete jurisdiction of those docks which we have spent hundreds of millions of dollars to build.

Then there is this further danger, that if we give the power to the Interstate Commerce Commission to fix the rates on these docks, what guaranty will we of New York have that the rates will not be fixed to the detriment of the port of New York?

Mr. WINSLOW. Common sense.

Mr. LAGUARDIA. Well, if we have only the common sense of the Interstate Commerce Commission to depend on, then, of course, I shall support the amendment offered by the gentleman from North Carolina. [Laughter.] One of the first duties I shall have to take up in my new office is the matter of the port. I can assure the House the city of New York will develop the port to the very limit, but this I fear might hamper the plans. I urge the Members to support the pending amendment, and not to give entire jurisdiction of dock matters to the Interstate Commerce Commission.

The CHAIRMAN. The question is on the amendment of the gentleman from North Carolina [Mr. SMALL].

Mr. SMALL. Mr. Chairman, I ask unanimous consent that all the amendments proposed by me may be voted on together.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that the amendments offered by him may be voted on en bloc. Is there objection?

There was no objection.

The question being taken, on a division (demanded by Mr. SMALL) there were—ayes 102, noes 51.

Accordingly the amendments were agreed to.

The CHAIRMAN. The question now recurs on the motion of the gentleman from Louisiana [Mr. SANDERS].

Mr. SANDERS of Louisiana. The purpose of my amendment having been satisfied by the adoption of the Small amendments, I ask leave to withdraw my motion.

The CHAIRMAN. The gentleman asks unanimous consent to withdraw his motion to strike out the section. Is there objection?

There was no objection.

Mr. PELL. Mr. Chairman, common sense will suggest that an intelligent coordination by the railroads would effect economy and produce a more efficient service. By far the worst part of our railroad policy in the past has been the elevation of competition to the place of a sacred dogma; every railroad, in fact, enjoys a monopoly over its own lines, and we all see the evils of parallel roads. Of course, unregulated pooling would be unwise, but this hardly strikes me as a good argument against any and all forms of common action.

If we wish to get the lowest rates for the public and the highest pay and most steady positions for the men, we must permit the railroads to make use of all legitimate economies and to distribute the load in the best way. Any interference with the efficient management of the roads as transportation agents must be paid for either by the public or by the employees, just as such interference in the financial management must be paid for by the stockholders. In both cases we must have a commission to regulate affairs, but the duty of this commission is, and should be, to insure efficient and honest management rather than the maintenance of an economic dogma, and it should be allowed to give a free hand and strict supervision.

By unanimous consent, Mr. TILSON, Mr. RICKETTS, and Mr. MILLER were given leave to extend their remarks in the Record.

The Clerk read as follows:

Sec. 412. Paragraphs (b) and (c) of the thirteenth paragraph of section 6 of the commerce act are hereby amended:

"(b) To establish through routes and joint rates, or maximum, or minimum, or maximum and minimum joint rates, between and over such rail and water lines, and to determine all the terms and conditions under which such lines shall be operated in the handling of the traffic embraced.

"(c) To establish proportional rates, or maximum, or minimum, or maximum and minimum proportional rates, by rail to and from the ports to which the traffic is brought, or from which it is taken by the water carrier, and to determine to what traffic and in connection with what

vessels and upon what terms and conditions such rates shall apply. By proportional rates are meant those which differ from the corresponding local rates to and from the port and which apply only to traffic which has been brought to the port or is carried from the port by a common carrier by water."

Mr. ESCH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Wisconsin [Mr. ESCH], a member of the committee, offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 60, line 25, after the word "amended" and before the colon, insert the words "to read as follows."

The amendment was agreed to.

Mr. JOHNSON of Washington. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Washington offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Washington: Amend by inserting, on page 61, after the word "water," in line 15, a new section, as follows:

"Sec. 412½. Section 15 of the commerce act is hereby further amended by adding at the end thereof a new (11) paragraph:

"It shall be unlawful for any United States carrier or carriers by rail or water to participate in the continuous or interrupted transportation of passengers or property from any place in the United States through a foreign country to any other place in the United States, or from or to any place in the United States to or from a foreign country, where the through rate, or through charge by combination of rates for such transportation, whether by rebate, by absorption of storage charges, wharfage charges, or any other charge or charges, or in any manner whatsoever, shall be less than the through rate or through charge by combination of rates between such points filed with the Interstate Commerce Commission or the United States Shipping Board, or the Interstate Commerce Commission and the United States Shipping Board, applying at such time for like transportation by the United States carriers by rail or water, or by rail and water, and any person violating the provisions of this paragraph shall be guilty of a misdemeanor, and shall on conviction be punished by a fine not to exceed \$1,000."

Mr. SANDERS of Indiana. Mr. Chairman, I make the point of order that that amendment is not germane to this section. It deals with section 15 of the interstate-commerce act, which is covered in section 418. I doubt if it is germane at all, but if it is it is not germane to this section.

Mr. JOHNSON of Washington. Mr. Chairman, I shall be glad to accept the word of a member of the committee as to where he thinks this amendment should be offered. I think it would be entirely germane, owing to the provisions of the bill in section 400.

Mr. SANDERS of Indiana. I do not concede that the gentleman's amendment would be germane there.

Mr. JOHNSON of Washington. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

Mr. SMALL. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 61, strike out lines 1 to 5, inclusive.

Mr. SMALL. Mr. Chairman, this motion is to strike out paragraph (b). Paragraph (b) is in substance the existing paragraph (b) in the interstate commerce act. The existing law reads as follows:

To establish through routes and maximum joint rates between and over such rail-and-water lines, and to determine all the terms and conditions under which such lines shall be operated in the handling of the traffic embraced.

The substitute for that in this bill authorizes them to establish through rates and joint rates. Then follows the maximum or minimum, or the maximum and minimum joint rates between every such rail or water line, and so forth.

The objectionable feature of the substitute is that it gives the Interstate Commerce Commission the power to fix minimum water rates. This power ought not to be exercised by the commission.

Mr. BRIGGS. I was about to ask the gentleman what the effect would be.

Mr. SMALL. The effect would be to interchange the traffic between water and rail. The commission could fix a minimum rate, such a rate as would impair the water transportation on the water line. We have an illustration of what has occurred during the control of the railroads by the Federal Government. On the Erie Canal and other waterways the United States Railroad Administration fixed the water rates so high that they were comparable with the railway rates, and fixed them high, they said, in order that the traffic might not be taken away from the railroads.

Mr. BRIGGS. Might it not be that the minimum would be very much in excess of water rates which would give the water transportation a good profit?

Mr. SMALL. Yes; and that is a power that might be misused, and was misused by the United States Railroad Administration. It is a power which ought not to be given to any Federal agency. Water is free and the water lines ought to be free. They are entitled to apply any rate which will give them a profit, because however low the rates may be it is the public which benefits from it. The power ought not to be conferred on the commission even in fixing a joint rate partly by rail and partly by water to make a minimum rate on the water line. It is a dangerous power to confer and might be misused against the interests of the public. I think, therefore, that the law as it now stands—and you can read it in the interstate commerce act—is the best form of law in the interest of the public.

I may say that I overlooked a danger of this minimum provision in the bill when it was first offered by the distinguished chairman of the Interstate Commerce Committee [Mr. ESCH], and it was only later in considering the matter further that I realized the unwise power given to the Interstate Commerce Commission to fix the minimum rates.

Mr. EDMONDS. Will the gentleman yield?

Mr. SMALL. Yes.

Mr. EDMONDS. Does not the gentleman think that the minimum rate in paragraph (c) is just as dangerous?

Mr. SMALL. Paragraph (c) does not apply to water lines but to the railroads, and therefore I do not include paragraph (c) in my motion to strike out.

Mr. CLEARY. Mr. Chairman, I might give some illustration as to the working of this abuse. Last year, for instance, a delegation from New York came down here in vacation time, and I came with them. The people from various parts of New York State came and we waited upon Mr. McAdoo because the Erie Canal was not being conducted successfully. I did most of the talking with Mr. McAdoo, as I was familiar with the situation. I told him that the canal has got to have a very much lower rate than the rail to get any business.

That is so, for various reasons. There is, for instance, the insurance, and also the fact that the shippers were more familiar with shipping by rail than by boat, and they did not have to ship in such large quantities and all those things. I suggested that there was something that he should do, that he should name a rate from New York to all points west by rail, and then he should name a rate ex boats from Buffalo, so that the boats might carry it for any rate they pleased between New York and Buffalo and thus give people the benefit of the canal. His reply to that was that he could not afford to let the water routes do what they wanted to because he had to protect the railroads. That is an illustration.

I might refer to another matter, such a case as this clause. I was for 25 years vice president of the Lake Champlain Transportation Co. The greatest business on that route, which included the Champlain Canal which runs from Troy to Whitehall, connected with Lake Champlain, and then 45 miles over the lake to the mines, was in ore. That ore is sold through Pennsylvania. For instance, the Bethlehem Steel Co. bought great quantities of it. I used to contract year after year for large quantities. We used to pro rate. I used to make a deal with the general freight agent of the Pennsylvania road and with other roads, who would put on his price and I would name mine, and then we would issue the tariff, and that would be the through rate. The Interstate Commerce Commission never exercised the right to make a minimum rate with us. It merely allowed us to make a rate, and not to make it any more to Reading than to Harrisburg, so that the shippers in Pennsylvania could get the benefit of the rate on the same basis. If the Interstate Commerce Commission should exercise the right to make a minimum rate, and if that minimum rate was made too high, the Delaware & Hudson would get all the iron-ore trade and that water route would not get any, and I will tell you why. I have been at all of these iron mills up through eastern Pennsylvania. They prefer to get the ore by rail because it is not necessary in that case to buy large quantities, to store it. To get the benefit of the water rates they have to bring in thousands of tons. I had a contract with the Bethlehem Steel Co. for 100,000 tons to be brought in one season alone. Of course, to do that you have to store it, and the same was true with all these other concerns up through the Schuylkill and the Lehigh Valleys. They had to put in this ore in large quantities and, of course, they had to shovel it some, away from the tracks, so that they could dump the cars, because the cars took it from us at Jersey City. They had to take a large amount in order to make use of water routes, but when they received it by rail the cars kept coming every day in small quantities comparatively,

and it saved them the investment in a large stock as well as being more convenient. I make this point just to show that if the Interstate Commerce Commission through an error or on purpose made a minimum rate too high, they would simply rule out that water route entirely. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

Mr. ESCH. Mr. Chairman, in the amendment proposed by the gentleman from North Carolina [Mr. SMALL] to our committee, as reported in the hearings, he made this proposition:

(b) Upon application of any responsible water carrier, the commission shall establish through routes and joint rates for maximum or minimum or maximum and minimum joint rates between and over such rail and water lines, and determine all the terms and conditions under which such lines shall be operated in the handling of the traffic embraced.

The bill before you practically uses those identical words with reference to the rates. It is not for me to judge of the reasons which induced the gentleman from North Carolina to change his mind. The committee, however, was persuaded that we should give to the Interstate Commerce Commission the power to establish through routes and joint rates, or maximum or minimum, or maximum and minimum, joint rates between and over such rail and water lines. You will notice the second paragraph, (c), gives the commission power to establish proportional rates, or maximum or minimum, or maximum and minimum proportional rates by rail.

Now, how easy it would be if we maintained power in the commission to fix proportional rates by rail and do not give the commission power to fix a minimum joint rate so far as it applies to the water haul. I think that gentlemen should stand by this provision of the bill as it has been drawn. It has the indorsement of the Interstate Commerce Commission, and the commission believed, and so stated, that unless they could have this power to fix a joint rate, the maximum and the minimum, it would not be able to regulate and control commerce in the interest of the people. I believe in giving the commission power to fix a minimum rate or a maximum rate, or a minimum and maximum rate, which in effect gives the commission the power where it deems necessary to fix the absolute rate.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. ESCH. I will.

Mr. MOORE of Virginia. Is not that necessary, I will ask the chairman, in order to prevent discrimination?

Mr. ESCH. Absolutely so.

Mr. MOORE of Virginia. Now, may I ask the chairman another question? Take the Erie Canal case, just instanced a while ago. There is not anything in the bill that would apply to that case?

Mr. ESCH. No.

Mr. MOORE of Virginia. Because that is absolutely water transportation and not within the meaning of the provision we are on.

Mr. ESCH. No. That might have been in the original provision of the bill, but it does not affect the question of the Erie Barge Canal, because we have eliminated from this bill transportation by water or port-to-port traffic. This power is necessary in the commission in order to prevent, as the gentleman from Virginia well says, discrimination, and there is no man here who does not desire that.

Mr. SIMS. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I am opposed to giving the commission or any other regulatory body the right to fix a minimum rate either on rail or water. Why not let us have competition that amounts to something? Competition in service is all you have now. Why not have competition in the movement of tonnage? Whatever reduces the rate benefits the country. Let the railroads compete as to minimum rates. There is plenty of law providing against discrimination either against persons or localities. This is holding the bag at both ends absolutely and preventing competition at both ends. They ought not to have power to make minimum rates on rail or on water, or joint rail and water routes. I think that the minimum ought to go out of both paragraphs (b) and (c), but the maximum may be written in both, and the rates heretofore have always been so provided. I hope the amendment will be adopted, and that the same amendment will be made to paragraph (c).

Mr. OSBORNE. Mr. Chairman, I desire to speak in opposition to the pro forma amendment. I want to make this suggestion. There ought to be no fixed minimum rate, as stated by the gentleman from Tennessee just now. What is going to be the effect of fixing minimum rates on the Panama Canal? What effect is it going to have upon the purpose of that canal to transport goods from coast to coast at the lowest possible rate? It can have no other effect than to build up, or make greater, rates through the Panama Canal so as to even up with the

rates of the railroads. That is the avowed purpose—that there shall be complete control and practically no competition. Now, Mr. Chairman, you will find if you will look at the hearings on this bill that Mr. Clarke, a member of the Interstate Commerce Commission, made this statement illustrating the point I am making. He said:

In my opinion the most disturbing element in the transcontinental and intermountain rates since the Panama Canal was opened has been the fact that at the beginning the steamship lines in their desire to get the maximum traffic made their rates too low.

Now, the people on the Pacific coast do not think the rates are too low, nor that they are in danger of being too low, and I do not think that there should be in this bill any provision for minimum rates, at least on waterways.

Mr. HICKS. Mr. Chairman, I would like to ask the chairman of the committee a question. As I understand it, and I think I am clear, but it may be that some of the Members from New York are not clear on the subject, there is nothing in this bill anywhere which gives the Interstate Commerce Commission jurisdiction over the Erie Canal, except where there is a question of joint rates involved?

Mr. ESCH. Joint rail and water rates.

Mr. HICKS. Joint rail and water rates involved. Is that correct?

Mr. ESCH. Yes.

Mr. BLAND of Indiana. Mr. Chairman, I desire recognition in opposition to the pro forma amendment. I would like to ask permission to proceed out of order long enough to have a telegram read with reference to the mining situation.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to proceed out of order with reference to the mining situation. Is there objection? [After a pause.] The Chair hears none. The Clerk will read the telegram referred to.

The Clerk read as follows:

BIRMINGHAM, ALA., November 14, 1919.

HON. OSCAR E. BLAND, M. C.,
Washington, D. C.:

From the hundreds of men reporting to this office who have been refused employment, there seems to have been concerted action of the coal operators at a meeting held in this city Wednesday to destroy our organization by requiring men to renounce the union and give up their working buttons before being reemployed. Refusal to reemploy men has been taken up by telegraph with Attorney General Palmer, who replied he would take prompt action against any operators who adopt such methods of restricting production; and he has authorized his representative, Reese Murray, to investigate at once, and to whom we have given detailed information. Hundreds of our men and their families are without food, and our funds tied up by order of the court, thus forbidding any relief. In our opinion, the Government, having by its mandate temporarily deprived them of their only power to force their reinstatement, is obligated to force instant reinstatement of all mine workers reporting for work. Use your influence to bring prompt and speedy action and it will be highly appreciated.

GEORGE HARGROVE,
International Representative,
United Mine Workers of America.

The CHAIRMAN. The question is on the amendment of the gentleman from North Carolina [Mr. SMALL].

Mr. BLAND of Indiana. Mr. Chairman, I would like to speak further, if my time is not exhausted, under the five minutes allowed.

The CHAIRMAN. The gentleman asked unanimous consent to proceed out of order for the purpose of having a telegram read.

Mr. BLAND of Indiana. I now ask to proceed for the length of time within the five-minute rule.

The CHAIRMAN. Without objection, the gentleman will proceed.

Mr. BLAND of Indiana. Mr. Chairman, if this state of facts is true, and miners in order to get a job must renounce their unions, something ought to be done. I do not think the present coal crisis should be used as a means of breaking up any organization of laboring men. I think the investigation promised by the Attorney General ought to be speedy and prompt and thorough. The United Mine Workers of America have shown their patriotism not only during this war that we have recently gone through, but they have shown it by their president saying in a recent statement that they would not fight their Government. And they have yielded to the Government's advice and influence in the matter. I feel if their obedience to governmental orders is used as a pretext for breaking up their organization it ought to be frowned upon by the governmental authorities, and some one should be made to answer. I am calling the matter to the attention of the House at this time in order that the Members may have it before them for consideration.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. SMALL].

The question was taken, and the Chair announced that the yeas appeared to have it.

Mr. SMALL. Division, Mr. Chairman.

The committee divided; and there were—ayes 65, noes 57.

Mr. DENISON. Mr. Chairman, I ask for tellers.

Tellers were ordered, and Mr. DENISON and Mr. SMALL took their places as tellers.

The committee again divided; and there were—ayes 81, noes 59.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. BLAND of Missouri. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

Mr. CALDWELL. Mr. Chairman—

The CHAIRMAN. For what purpose does the gentleman from New York rise?

Mr. CALDWELL. To call the gentleman's attention to the fact that it is now one minute after half past 5, and he agreed that he would move to rise at half past 5.

Mr. ESCH. Mr. Chairman, I ask that the amendment merely be read.

The Clerk read as follows:

Amendment offered by Mr. BLAND of Missouri: On page 61, between lines 15 and 16, as part of paragraph (b), insert: "The absorption out of its port-to-port water rates, or out of its proportional through rate, by a water carrier, of the switching, terminal, lighterage, car rental, trackage, handling, or other charge by a rail carrier, for services within the switching, drayage, lighterage, or corporate limits of a port terminal or district, shall not be held to constitute an arrangement for a continuous carriage or shipment within the meaning of the act to regulate commerce, and shall not subject such water carrier to the provisions of such act."

Mr. ESCH. Mr. Chairman, I move that the committee do now rise.

Mr. BLAND of Missouri. Mr. Chairman, I ask to have a clerical error corrected, so that it will appear as paragraph "(c)" instead of paragraph "(b)."

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

The gentleman from Wisconsin [Mr. Esch] moves that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. WALSH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 10453) to regulate commerce and had come to no resolution thereon.

EXTENSION OF REMARKS.

Mr. CRAGO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an address delivered by Justice Stafford on October 27 at the rededication of the supreme court courthouse in the District of Columbia.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the RECORD by printing the address referred to. Is there objection?

Mr. BLANTON. Reserving the right to object, I would like to ask the gentleman of what public significance this speech is that would make it of interest to the public or to Congress or anybody in going into the CONGRESSIONAL RECORD?

Mr. CRAGO. It is a short and beautiful address delivered at the dedication of the courthouse. It is one of the most perfect word pictures of law and order that I have heard in recent years.

Mr. BLANTON. It is on law and order?

Mr. CRAGO. Yes.

Mr. BLANTON. Then I have no objection.

The SPEAKER. Is there objection?

There was no objection.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 425, An act to establish the Zion National Park in the State of Utah.

LEAVE OF ABSENCE.

Mr. KAHN, by unanimous consent, was granted leave of absence for the remainder of the session, on account of important business.

METROPOLITAN POLICE, DISTRICT OF COLUMBIA.

Mr. MAPES. Mr. Speaker, I ask unanimous consent that I may have the right to file the conference report on the bill H. R. 9821 for printing in the RECORD under the rule until 12 o'clock to-night.

The SPEAKER. The gentleman from Michigan asks unanimous consent to submit for printing under the rule the conference report on the police bill up to midnight to-night. Is there objection?

There was no objection.

Following are the conference report and accompanying statement:

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to H. R. 9821, "An act to amend an act entitled 'An act relating to the Metropolitan police of the District of Columbia,' approved February 28, 1901, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: In lieu of the matter proposed by the Senate amendment insert the following:

"That paragraphs 2, 8, and 9 of section 1, of the act entitled 'An act relating to the Metropolitan police of the District of Columbia,' approved February 28, 1901, as amended by the act approved June 8, 1906, entitled 'An act to amend section 1 of an act entitled "An act relating to the Metropolitan police of the District of Columbia," approved February 28, 1901,' are hereby amended to read as follows:

"PAR. 2. The commissioners of said District shall appoint to office, assign to such duty or duties as they may prescribe, and promote all officers and members of said Metropolitan police force: *Provided*, That all officers, members, and civilian employees of the force, except the major and superintendent, the assistant superintendents, and the inspectors, shall hereafter be appointed and promoted in accordance with the provisions of an act entitled "An act to regulate and improve the civil service of the United States," approved January 16, 1883, as amended, and the rules and regulations made in pursuance thereof, in the same manner as members of the classified civil service of the United States: *Provided further*, That hereafter the assistant superintendents and inspectors shall be selected from among the captains of the force and shall be returned to the rank of captain when the commissioners so determine: *Provided further*, That privates of class 1, if found efficient, shall serve one year on probation, privates of class 2 shall serve two years subsequent to service in class 1, and privates of class 3 shall include all those privates who have served efficiently three or more years."

"PAR. 8. That the annual basic salaries of the officers and members of the Metropolitan police of the District of Columbia shall be as follows: Major and superintendent, \$4,500; assistant superintendents, \$3,000 each; inspectors, \$2,400 each; police surgeons, \$1,600 each; captains, \$2,400 each; lieutenants, \$2,000 each; sergeants, \$1,800 each; privates of class 3, \$1,660 each; privates of class 2, \$1,560 each; privates of class 1, \$1,460 each. Members of said police force who may be mounted on horses, furnished and maintained by themselves, shall each receive an extra compensation of \$540 per annum; and members of the said force who may be mounted on motor vehicles, furnished and maintained by themselves, shall each receive an extra compensation of \$480 per annum; and members of the said force who may be mounted on bicycles shall each receive an extra compensation of \$70 per annum: *Provided*, That patrol drivers of the Metropolitan police are hereby declared to be members of the Metropolitan police of the District of Columbia, but shall not be rated above class 2 privates, and those patrol drivers who have been appointed since April 6, 1917, shall be required to pass the usual physical and other tests required for members of the regular force: *Provided further*, That every officer or member of the Metropolitan police at the time this act becomes law, shall, in addition to the salary received by him for his period of service between August 1, 1919, and the time this act becomes law, receive for such period the difference between such salary and the salary payable to him under the provisions of this act, for a period of equal duration.

"PAR. 9. No member of the Metropolitan police of the District of Columbia shall be or become a member of any organization, or of an organization affiliated with another organization, which itself, or any subordinate, component or affiliated organization of which holds, claims, or uses the strike to enforce its demands. Upon sufficient proof to the Commissioners of the District of Columbia that any member of the Metropolitan police of the District of Columbia has violated the provisions of this section, it shall be the duty of the Commissioners of the District of Columbia to immediately discharge such member from the service.

"Any member of the Metropolitan police who enters into a conspiracy, combination, or agreement with the purpose of substantially interfering with or obstructing the efficient conduct or operation of the police force in the District of Columbia by a strike or other disturbance shall be guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine of not

more than \$300 or by imprisonment of not more than six months, or by both.

"No officer or member of the said police force, under penalty of forfeiting the salary or pay which may be due him, shall withdraw or resign, except by permission of the Commissioners of the District of Columbia, unless he shall have given the major and superintendent one month's notice in writing of such intention."

"SEC. 2. That one-half of the amount necessary to provide for the increased salaries and compensation of the Metropolitan police authorized in this act is hereby appropriated out of any money in the Treasury not otherwise appropriated, and the other one-half out of the revenues of the District of Columbia, to supplement the amounts appropriated for the members and employees of the Metropolitan police mentioned in the act entitled 'An act making appropriations to provide for the expenses of the Government of the District of Columbia for the fiscal year ending June 30, 1920, and for other purposes,' approved July 11, 1919.

"SEC. 3. That the watchmen provided by the United States Government for service in any of the public squares and reservations in the District of Columbia shall hereafter be known as the 'United States park police,' and their annual basic salaries shall be as follows: Lieutenant, \$1,900; first sergeant, \$1,700; sergeants, \$1,580; privates, \$1,360: *Provided*, That every watchman employed for such service at the time this act becomes law shall, in addition to the salary received by him for the period of service between August 1, 1919, and the time this act becomes law, receive for such period the difference between such salary and the salary payable to him under the provisions of this section for a period of equal duration.

"SEC. 4. That to provide for the increased salaries and compensation of the United States park police, so much as is necessary is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to supplement the amounts appropriated for park watchmen mentioned in the act entitled 'An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1920, and for other purposes,' approved March 1, 1919."

And the Senate agree to the same.

CARL E. MAPES,

N. J. GOULD,

JAS. P. WOODS,

Managers on the part of the House.

LAWRENCE Y. SHERMAN,

WILLIAM M. CALDER,

MORRIS SHEPARD,

Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to H. R. 9821, entitled "An act to amend an act entitled 'An act relating to the Metropolitan police of the District of Columbia,' approved February 28, 1901, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report as to the amendment of the Senate, namely:

The Senate amendment struck out all after the enacting clause of the House bill and inserted a substitute therefor. The House recedes from its disagreement to the amendment of the Senate and agrees to the same with amendment as reported by the committee of conference.

The Senate recedes and accepts the House provisions as to the salaries of officers and members of the Metropolitan police force, except the salary for police surgeon, which was fixed at \$1,600 per annum, instead of the House provision of \$1,400 and the Senate provision of \$1,800; except the salary of captain, which was fixed at \$2,400 per annum, instead of the House provision of \$2,200 and the Senate provision of \$2,500; except the extra compensation of mounted police, which was fixed at \$540 per annum, instead of the House provision of \$480 and the Senate provision of \$600; and except the extra compensation of bicycle police, which was fixed at \$70 per annum, instead of the House provision of \$60 and the Senate provision of \$75.

The compensation of the major and superintendent, the assistant superintendents, inspectors, lieutenants, sergeants, and privates of classes 1, 2, and 3, and the compensation of the members of the force mounted on motor vehicles remain the same as in the House bill.

The conference report accepts the provision of the Senate amendment requiring the appointment and promotion of the officers, members, and civilian employees of the Metropolitan

police to be made according to the provisions of the civil-service act, except the major and superintendent, the assistant superintendents, and the inspectors, and provides for two assistant superintendents, as provided for by the Senate.

The House provision, which in effect prevents the members of the police force from joining any organization affiliated with another organization which holds, claims, or exercises the right to strike is retained with an amendment to perfect the text. The Senate recedes from the so-called "Myers amendment," which would extend the scope of this provision to all organizations of Federal employees.

The Senate provisions making it a misdemeanor for any member of the Metropolitan police force to enter into a conspiracy, combination, or agreement with the intent or purpose of substantially interfering with the efficient conduct or operation of the police force in the District of Columbia by a strike or other disturbances is retained.

The conferees accepted the provision of the Senate amendment providing for increased compensation for the watchmen of the Federal parks within the District of Columbia (to be known hereafter as the "United States park police"), which will amount to about \$30,000 per year, and the provisions making appropriations to meet the increases of salaries provided for.

The Senate receded from the provisions of the Senate amendment giving increases of compensation to the civilian employees in the police department, awaiting the report of the Joint Commission on Reclassification of Salaries.

CARL E. MAPES,
N. J. GOULD,
JAMES P. WOODS,

Managers on the part of the House.

Mr. PELL. Mr. Speaker, I ask unanimous consent that the bill be printed to-night, so that it can be in the hands of Members on Monday, with all the amendments printed as adopted.

The SPEAKER. The gentleman from New York asks unanimous consent that a reprint of the bill be authorized showing the amendments as adopted. Is there objection?

Mr. DENISON. I object.

The SPEAKER. The gentleman from Illinois objects.

EXTENSION OF REMARKS.

Mr. DENISON. Mr. Speaker, I ask unanimous consent to extend in the RECORD the remarks I made to-day.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to extend in the RECORD my remarks on this bill.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to extend his remarks in the RECORD on this bill. Is there objection?

There was no objection.

Mr. PARRISH. Mr. Speaker, I ask unanimous consent to extend in the RECORD the remarks I made on the bill.

The SPEAKER. Is there objection to the gentleman's request?

There was no objection.

Mr. VAILE. Mr. Speaker, I ask unanimous consent to extend my remarks on the pending bill.

The SPEAKER. The gentleman from Colorado asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. HUDSPETH. Mr. Speaker, I ask unanimous consent to extend and revise my remarks on this measure.

The SPEAKER. The gentleman from Texas asks unanimous consent to extend and revise his remarks on this measure. Is there objection?

There was no objection.

Mr. OGDEN. Mr. Speaker, I ask unanimous consent to extend my remarks on the bill.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to extend his remarks on the bill. Is there objection?

There was no objection.

Mr. DICKINSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks on the bill.

The SPEAKER. The gentleman from Missouri asks unanimous consent to extend his remarks on the bill. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. ESCH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 40 minutes p. m.) the House adjourned, pursuant to the order, until Monday, November 17, 1919, at 10 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. MILLER, from the Committee on Military Affairs, to which was referred the bill (S. 2497) to provide for the payment of six months' pay to the widow, children, or other designated dependent relative of any officer or enlisted man of the Regular Army whose death results from wounds or disease not the result of his own misconduct, reported the same with amendments, accompanied by a report (No. 470), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. MCKINIRY, from the Committee on Claims, to which was referred the bill (H. R. 9257) for the relief of the Van Dorn Iron Works Co., reported the same without amendment, accompanied by a report (No. 469), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HULL of Iowa: A bill (H. R. 10583) to establish a national reserve force and to provide for the military and physical training, and for the reorganization of the National Guard, and for other purposes; to the Committee on Military Affairs.

By Mr. MACGREGOR: A bill (H. R. 10584) to establish a commission to report to Congress on the practicability, feasibility, and place, and to devise plans for the construction of a public bridge over the Niagara River from some point in the city of Buffalo, N. Y., to some point in the Dominion of Canada, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. COADY: A bill (H. R. 10585) for the relief of the Occident Perpetual Building and Loan Association, of Baltimore, Md.; to the Committee on Claims.

By Mr. BROWNE: A bill (H. R. 10586) to pension soldiers, sailors, and marines of the War with Spain, the Philippine insurrection, and the China relief expedition; to the Committee on Pensions.

By Mr. ROGERS: A bill (H. R. 10587) for the reorganization and improvement of the foreign service of the United States; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOWERS: A bill (H. R. 10588) granting an increase of pension to Scott W. Lightner; to the Committee on Invalid Pensions.

By Mr. BROOKS of Illinois: A bill (H. R. 10589) granting a pension to Eugene Cunningham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10590) granting an increase of pension to Sophie P. Harris; to the Committee on Invalid Pensions.

By Mr. HARDY of Colorado: A bill (H. R. 10591) for the relief of Francis A. Land; to the Committee on Military Affairs.

Also, a bill (H. R. 10592) for the relief of George A. McKenzie, alias William A. Williams; to the Committee on Military Affairs.

By Mr. HAYS: A bill (H. R. 10593) granting an increase of pension to Samuel O. Stanley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10594) granting a pension to Margaret A. Plank; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10595) granting an increase of pension to James Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10596) granting an increase of pension to Washington Richardson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10597) granting a pension to Martha Ruebel; to the Committee on Invalid Pensions.

By Mr. HULINGS: A bill (H. R. 10598) to provide for the payment to the First National Bank of Sharon, Pa., for cer-

tificate of indebtedness of the United States No. 3240, for \$10,000, which has been lost; to the Committee on Claims.

By Mr. JOHNSON of Kentucky: A bill (H. R. 10599) granting an increase of pension to Thomas J. Stevens; to the Committee on Pensions.

Also, a bill (H. R. 10600) granting an increase of pension to Nancy Jane Howard; to the Committee on Invalid Pensions.

By Mr. KELLEY of Michigan: A bill (H. R. 10601) for the relief of John Burke; to the Committee on Military Affairs.

By Mr. LANGLEY: A bill (H. R. 10602) granting an increase of pension to Thomas Flinchum; to the Committee on Pensions.

Also, a bill (H. R. 10603) granting a pension to Frank H. Gullett; to the Committee on Pensions.

By Mr. MICHENER: A bill (H. R. 10604) granting a pension to Lucinda Welch; to the Committee on Invalid Pensions.

By Mr. RICKETTS: A bill (H. R. 10605) granting an increase of pension to Henry Gompf; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10606) granting an increase of pension to William T. Stevens; to the Committee on Invalid Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 10607) granting an increase of pension to Robert R. Reardon; to the Committee on Invalid Pensions.

By Mr. CURRY of California: Resolution (H. Res. 390) for the relief of Benjamin F. Jones, brother of Henry T. Jones, late an employee of the House of Representatives; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BURROUGHS: Petition of Manchester Council No. 92, Knights of Columbus, Manchester, N. H., Thomas F. Durning, grand knight, and A. J. Connor, recording secretary, advocating the continuance of the activities of the various welfare societies doing Army welfare work and in opposition to the intention of the War Department to delegate this work to itself; to the Committee on Military Affairs.

By Mr. NOLAN: Petition of Muller & Raas Co. and Woodin & Little, of San Francisco, Calif., opposing House bill 8315; to the Committee on Interstate and Foreign Commerce.

Also, petition of Building Association League of Illinois, Quincy, Ill., favoring passage of Senate bill 2492 and House bill 6371; to the Committee on Appropriations.

Also, petition of Ripon Parlor, No. 72, Native Sons of the Golden West, favoring restriction of oriental immigration; to the Committee on Immigration and Naturalization.

By Mr. O'CONNELL: Petition of American Train Dispatchers' Association, Railroad Yardmasters of America, Roadmasters and Supervisors' Association, Railway Traveling Auditors' Association, and National Order of Railroad Claim Men, concerning railroad legislation; to the Committee on Interstate and Foreign Commerce.

Also, petition of Foster-Milburn Co., of Buffalo, N. Y., commenting on Senate bill 3011; to the Committee on Interstate and Foreign Commerce.

Also, petition of National Equal Rights League, favoring abolishment of so-called "Jim Crow" cars; to the Committee on Interstate and Foreign Commerce.

Also, petition of New York Harbor district council, opposing House bill 10453; to the Committee on Interstate and Foreign Commerce.

By Mr. RAKER: Petition of J. M. Thompson, A. W. Martin, J. F. Fisher, Abraham, Stochett, Mrs. L. Gant, L. E. Ganott, Austin P. Morris, Fred R. Johnson, M. J. Campbell, Alice Reese, L. Madison, Mrs. L. Garrutt, S. E. Barnett, Miss M. T. Ross, T. J. Wilson, jr., L. E. Mason, W. D. Harris, E. Noble, L. B. Porter, F. R. Jackson, W. A. Butler, Mrs. Mary B. Stewart, W. T. Knowles, Miss Belinda Davison, Mrs. L. Dyson, and Morris Meadow, all of San Francisco, Calif., urging investigation of the race riots and lynchings here in America; to the Committee on the Judiciary.

Also, petition of Juda Bros., and Miller Raas Co., both of San Francisco, Calif., opposing House bill 8315; to the Committee on Interstate and Foreign Commerce.

Also, petition of Chamber of Commerce of the State of New York, urging the construction of a ship canal across New Jersey; to the Committee on Railways and Canals.

Also, petition of Chamber of Commerce of the State of New York, urging protection to American citizens and investments abroad; to the Committee on Foreign Affairs.

Also, petition of Montana Joint Stock Land Bank, of Helena, Mont., opposing any repeal or amendment to the Federal farm-loan act; to the Committee on Banking and Currency.

Also, petition of California Wine Growers' Association, of San Francisco, Calif., urging appropriation and authority to carry on experiments in vineyards in California; to the Committee on Agriculture.

Also, petition of Williams, Dimond & Co., San Francisco, Calif., opposing Esch-Pomerene bill; to the Committee on Interstate and Foreign Commerce.

Also, petition of Western Forestry and Conservation Association, of Portland, Oreg., relative to forest protection and conservation; to the Committee on Agriculture.

Also, petition of Walter M. Field & Co., of San Francisco, Calif., opposing Esch-Pomerene bill; to the Committee on Interstate and Foreign Commerce.

By Mr. RANDALL of Wisconsin: Resolution of the Rotary Club, of Racine, Wis., favoring universal military training and the selection of Camp Custer, Mich., as a permanent military training camp; to the Committee on Military Affairs.

By Mr. SINCLAIR: Petition of Northern Pacific System, Division No. 54, Order of Railway Telegraphers, protesting against involuntary servitude such as is contemplated under pending antistrike legislation for railroad employees, and urging two years' extension of the period of Government operation of railroads; to the Committee on Interstate and Foreign Commerce.

Also, petition of Vinton Gregg and other citizens, of Gladstone, N. Dak., indorsing the Plumb plan of public ownership and democratic control of railroads, urging two years' extension of Government operation meanwhile, and protesting against the Esch-Pomerene bill and the Cummins bill; to the Committee on Interstate and Foreign Commerce.

SENATE.

MONDAY, November 17, 1919.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we come before Thee as we face the tremendous responsibilities of this office and the far-reaching implications of the questions that press upon us for decision. Thou hast guided us from our smallest beginnings up until this good day. We lift our hearts to Thee that we may have the vision of the fathers, with a deep understanding of the influence of all that we do this day and always in the Senate; that we may have an eye single to Thy glory and by our united effort advance the interests of the people of this country and of the world. For Christ's sake. Amen.

TREATY OF PEACE WITH GERMANY.

The VICE PRESIDENT. The Chair lays before the Senate the treaty of peace with Germany.

The SECRETARY. Treaty of peace with Germany, Document No. 85.

SEDITIONOUS ACTS AND UTTERANCES.

Mr. NELSON. There is a communication from the Department of Justice on the table that I ask may be referred to the Committee on the Judiciary.

The VICE PRESIDENT. Is there objection? There being no objection, the Chair lays before the Senate the response of the Attorney General to the resolution of the Senate of October 17, 1919.

Mr. POINDEXTER. I ask that the communication and accompanying papers be printed and referred to the Committee on the Judiciary.

Mr. NELSON. That was my motion, that it be printed and referred to the Committee on the Judiciary.

The VICE PRESIDENT. It will be so ordered.

CALLING OF THE ROLL.

Mr. SMOOT. I ask unanimous consent to present certain petitions. I will state that—

Mr. LA FOLLETTE. I object.

The VICE PRESIDENT. There is objection.

Mr. CURTIS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Calder	Cummins	Elkins
Ball	Capper	Curtis	Fernald
Bankhead	Chamberlain	Dial	Fletcher
Beckham	Coit	Dillingham	France
Brandegge	Culberson	Edge	Frelighuysen